

FBIS**DAILY REPORT**
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RENMIN RIBAO WELCOMES PRESIDENT REAGAN TO PRC

HK260756 Beijing RENMIN RIBAO in Chinese 26 Apr 84 p 1

[Editorial: "Warmly Welcome President Reagan on His Visit to China"]

[Text] At the invitation of the Chinese Government, President Ronald Reagan of the United States of America and his wife arrive in Beijing today for a state visit. This is a return visit for Chinese Premier Zhao Ziyang's visit to the United States, and is another great event in Sino-U.S. relations. The Chinese Government and people express warm welcome for President Reagan and his wife.

Early this year Premier Zhao Ziyang visited the United States by invitation and had talks with President Reagan and other U.S. leaders in a friendly, frank, and serious atmosphere. He had broad contacts with American people from various circles and received a warm welcome from the American people. This greatly promoted understanding and friendship between the Chinese and American peoples. Now that President Reagan and his wife are coming to visit China, they will have an opportunity for a broad exchange of views with Chinese leaders, meet Chinese people, and look at the natural beauty and historic sites of China and also at the modernization drive which is now in progress. This will, without a doubt, be highly beneficial for deepening mutual understanding and developing friendly relations between the two countries.

Although there have been twists and turns and turbulence since the establishment of diplomatic relations between China and the United States, the relations between the two countries have still been able to advance through their common efforts, detouring around the hidden reefs. Considerable progress has also been made in the fields of trade and economics and in friendly contacts. These are in the interests of the two peoples. The United States is the largest developed country in the world, while China is the largest developing country. There are extremely broad prospects for bilateral cooperation and tremendous potential for economic and technological exchange. It is the desire of the Chinese and also of the American people to promote friendly ties, under the guidance of the five principles of peaceful coexistence, and to increase economic and trade contacts on the basis of equality and mutual benefit. The friendly coexistence of the two Pacific nations of China and the United States, their respect for each other and extension of benefits to each other have a significance far beyond the two nations and will be of very great importance to maintaining peace and stability in the Asia-Pacific region and the whole world.

Of course, it cannot be denied that the current development of Sino-U.S. relations is very far from what it ought to be. Relations between the two countries have suffered certain interference from time to time. In particular, the Taiwan issue remains a major obstacle between China and the United States. The only principles for solving this problem are those guiding Sino-American relations as affirmed in the series of Sino-U.S. joint communiques. We believe that as long as the two sides earnestly abide by the three joint communiques reached between them, respect each other's sovereignty and territorial integrity, and refrain from interfering in each other's internal affairs, the relations between the two countries will be freed from turbulence and instability and will grow steadily and continuously.

The Chinese Government has always attached importance to Sino-U.S. relations. The U.S. Government has on many occasions expressed its wish to promote friendship between the two countries.

We hope that, through the exchange of visits by Chinese and American leaders, these good intentions will be translated into deeds, which will provide fresh impetus to the further development of Sino-U.S. relations. We wish President Reagan and his wife's visit to our country complete success.

REPORTAGE ON PRESIDENT REAGAN'S PRC ARRIVAL

Arrives in Beijing

OW260642 Beijing XINHUA in English 0630 GMT 26 Apr 84

["Flash"]

[Text] Beijing, April 26 (XINHUA) -- U.S. President Ronald Reagan arrived here this afternoon aboard Air Force One to begin his six-day state visit to China. Mr Reagan is the first U.S. president in office to visit China since the establishment of diplomatic relations between the two countries in 1979. While in Beijing, he will meet Chinese leaders Hu Yaobang, Deng Xiaoping and Li Xiannian. He will also hold two rounds of talks with Chinese Premier Zhao Ziyang on bilateral relations and international issues of common concern. Accompanying President Reagan on his China visit are Mrs Nancy Reagan, Secretary of State George Shultz and other senior U.S. officials.

Greeting him at Beijing Airport were Chinese State Councillor and Foreign Minister Wu Xueqian, and chairman of the reception committee and Minister of Culture Zhu Muzhi and his wife Zhou Luo.

Further on Arrival

OW260700 Beijing XINHUA in English 0644 GMT 26 Apr 84

["U.S. President Arrives in Beijing" -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- U.S. President Ronald Reagan arrived here aboard Air Force one this afternoon at the start of his six-day state visit to China. Mr and Mrs Reagan and their party, including Secretary of State George Shultz and other senior American officials, were met at Beijing Airport by Chinese State Councillor and Minister of Foreign Affairs Wu Xueqian and Culture Minister Zhu Muzhi, who is chairman of the reception committee accompanying them during their visit.

After their arrival, their motorcade left for the Great Hall of the People in central Beijing for a red-carpet welcoming ceremony led by Chinese President Li Xiannian. President Li will also host a banquet for Mr and Mrs Reagan this evening.

President Reagan, who earlier described his China visit as "another careful, yet sure step toward peace and friendship between the Chinese and American people," will hold talks with top Chinese leaders on matters relating to Sino-American relations and international issues of common concern. Mr and Mrs Reagan and their party will also visit Xian in northwest China and Shanghai.

Beijing Welcome Ceremony

OW260720 Beijing XINHUA in English 0713 GMT 26 Apr 84

["Beijing Red-Carpet Welcome for President and Mrs Reagan" -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- U.S. President Ronald Reagan was welcomed to Beijing with a 21-gun salute at a ceremony presided over by Chinese President Li Xiannian here this afternoon at the beginning of his six-day state visit to China.

President Li shook hands and exchanged greetings with Mr and Mrs Reagan when their motorcade arrived at 3:00 at a plaza on the eastern side of the Great Hall of the People in the company of Chinese State Councillor and Foreign Minister Wu Xueqian.

President Li Xiannian said to Mr Reagan: "Welcome to you," adding he was very glad to see him. The national flags of China and the United States whipped in strong winds. President and Mrs Reagan were also presented with bouquets of flowers by two children. The leaders stood together as a military band played the national anthems of the United States and China and a 21-gun salute rang over the plaza. Accompanied by President Li, Mr Reagan reviewed an honor guard of the three services of the Chinese People's Liberation Army and walked past a crowd of more than 300 Chinese who cheered and waved bouquets to welcome the American party.

Attending the ceremony were Secretary of State George Shultz and Mrs Shultz, Presidential Assistant James A. Baker and Assistant to the President for National Security Affairs Robert C. McFarlane. Also present were President Li's wife, Lin Jiamei, Vice-Premier Li Peng, Culture Minister and chairman of the reception committee Zhu Muzhi, Chinese Ambassador to the U.S. Zhang Wenjin and American Ambassador to China Arthur W. Hummel.

Li Xiannian Greets Reagan

OW260752 Beijing XINHUA in English 0748 GMT 26 Apr 84

["Chinese President Welcomes President Reagan to Beijing" -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- Chinese President Li Xiannian extended a warm welcome to U.S. President Reagan and Mrs Reagan on behalf of the Chinese Government and people here today. In a brief conversation he had in the Great Hall of the People soon after the welcoming ceremony, Li Xiannian said: "The Chinese and Americans are two great nations. I hope that President Reagan's visit to China will enhance the relations between our two countries. I have noted your remarks before your arrival here. I share your view about the political and economic importance of the Pacific region."

Li, Reagan Hold Meeting

OW260826 Beijing XINHUA in English 0823 GMT 26 Apr 84

["Reagan Invites Chinese President To Visit U.S." -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- President Li Xiannian today accepted an invitation from U.S. President Ronald Reagan to visit the United States at a mutually agreeable time. The invitation was extended at the first meeting between the two heads of state at the Great Hall of the People here this afternoon.

Li Xiannian recalled that Premier Zhao Ziyang had exchanged views with President Reagan on bilateral relations and international issues during his visit to the U.S. last January. The premier spoke with congressional leaders and met people of different professions in the United States, Li Xiannian added. "I hope that during your current visit, you will see several places in China and meet many people. China is a big country and there are many things to see."

"When you go to Xian you'll see the wonderful cultural relics there," he said.

President Reagan said he was looking forward to discussing with Chinese leaders global issues, regional problems, bilateral relations, trade and commerce. He told the Chinese president that when he saw the lovely children at the welcoming ceremony he felt a responsibility to create a better world for the younger generation. Referring to Japanese Prime Minister Yasuhiro Nakasone's recent China visit, Reagan said that he was glad about the establishment of durable and stable relations between China and Japan. "The future lies in the Pacific and among the Pacific nations," he noted. He said he hoped that there would be peace and stability not only in Asia-Pacific region but also around the globe.

Present at the meeting were also Chinese Vice-Premier Li Peng, State Councillor and Foreign Minister Wu Xueqian, U.S. Secretary of State George Shultz and other senior officials in the President's party.

Li Hosts Dinner

OW261123 Beijing XINHUA in English 1114 GMT 26 Apr 84

[Text] Beijing, April 26 (XINHUA) -- Chinese President Li Xiannian and his wife Lin Jiamei gave a dinner for U.S. President Ronald Reagan, his wife Nancy and principal members of the presidential entourage at the Diaoyutai State Guest House here this evening. President Li and his wife, Premier Zhao Ziyang and Vice-President Ulanhu greeted the Reagans at the gate of the Yangyuan Hall in Diaoyutai.

Chinese Premier Zhao Ziyang will give a grand state banquet for the U.S. President and his entourage in the Great Hall of the People tomorrow evening.

The state guest house, where President and Mrs Reagan are staying, is a former rest resort for emperors, princes and high-ranking officials, first built over 800 years ago.

Li Banquet Speech

OW261222 Beijing XINHUA in English 1214 GMT 26 Apr 84

["Chinese and U.S. President Stress Progress in Sino-U.S. Relations" -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- President Li Xiannian and President Ronald Reagan this evening stressed that Sino-U.S. relations had made much progress, although that progress had not been easily won. During a dinner at the Diaoyutai State Guest House, President Li said that there was a long history of friendly exchanges between the Chinese and American peoples; there were also many years when the two countries were estranged from each other. "Since 1972, and especially with the establishment of diplomatic relations between the two countries," he said, "Sino-U.S. relations have made much progress thanks to the joint efforts of the two sides. This progress has not come easily, and we should cherish and nurture it. The steady development of Sino-U.S. relations on the basis of the five principles of peaceful co-existence accords with the interests of the people of both countries, as well as the people of the rest of the world."

"At present, the international situation remains turbulent. And it is the eager desire of the people of all countries to maintain world peace. President Reagan's current visit provides a valuable opportunity for the leaders of our two countries to have an in-depth exchange of views on some urgent bilateral and international issues." The Chinese president assured Mr and Mrs Reagan that they would receive a warm welcome from the "peace-loving Chinese people who eagerly long for the reunification of their motherland and are working hard for a better future."

President Reagan said he had come to China "representing the sincere desire of the American people to be good neighbors to the Chinese people". "There are differences between us," he said, "that should be neither glossed over nor denied. Yet, the people of China and the United States share a sincere desire for peace and prosperity. And we understand that, by working together, emphasizing our areas of agreement, everyone will benefit. This, of course, does not mean progress will be easy. Few things worthwhile ever happen without commitment and effort by good people. We can be proud, considering our differences, of how much has already been accomplished," he said. Greater progress could be made if future efforts were based on mutual respect and mutual benefit, Mr Reagan added. "It can keep us friends, even while recognizing that we do not totally agree on some things which we believe important. There is every reason for optimism about the continuing peaceful evolution of relations between our two countries," he said.

This evening's dinner was hosted by President Li and his wife, Lin Jiamei, for President and Mrs Reagan. Attending were U.S. Secretary of State George Shultz and Mrs Shultz and U.S. Ambassador to China Arthur W. Hummel, Jr. and Mrs Hummel. Also present were Premier Zhao Ziyang, Vice-President Ulanhu, State Councillor Ji Pengfei and State Councillor and Foreign Minister Wu Xueqian.

HEBEI FACTORY MAKES CUPS FOR REAGAN BANQUET

HK260416 Beijing CHINA DAILY in English 26 Apr 84 p 6

[Article by staff reporter: "Special Cups Made for Reagan's Party"]

[Text] Tanshan, Hebei -- Some 800 custard cups to be used for President Reagan's return banquet in Beijing have been made by the Tangshan Third Porcelain Factory within 10 days. Two weeks ago, after the menu for the banquet was decided, the management of the Great Wall Hotel, where the American President will honor his hosts, found that they had fewer than 400 French-made custard cups in stock. Rather than try to get more from France in time, they called in Yu Shadong, head of the Tangshan factory.

"Our products are exported to many countries. Why import china to China?" said Yu, 54, the ex-director and the present party secretary of the factory, which is the exclusive producer of the first-class porcelain in northern China. Examining the the French cups closely, Yu promised to deliver in 10 days 800 similar cups as good, if not better, than the French ones.

That night all of the factory's managing and technical personnel were waiting for Yu to arrive from Beijing to plan production. Early next morning, workers were able to begin the first of the 72 production steps. The last batch of cups was kilned by dawn last Wednesday.

"One can hardly tell the French model from the Chinese one," said Li Zhenling, director of the food section of the hotel's purchasing department. These 800 custard cups alone saved the hotel about 7,000 yuan in foreign currency, Li estimated.

"We have a goal," Yu said. "Beginning with the Great Wall Hotel, we'll take over the porcelain market of all the big hotels in Beijing some day." The factory certainly has the spirit needed to do it. In 1976 its workers had it back into production only three days after one of the world's worst earthquakes devastated the city.

BEIJING CITES NIXON ON SINO-U.S. RELATIONS

OW261025 Beijing Domestic Service in Mandarin 1200 GMT 25 Apr 84

[Text] Our reporter in Washington notes that former U.S. President Nixon, in an article published in the latest issue of NEWSWEEK, has pointed out that continued reinforcement of ties with China is one of the indispensable conditions for the United States to safeguard peace this century through the maintenance of a balance of forces. Sino-U.S. relations, he says, must be based on economic cooperation. He adds: Close economic relations between the two countries are of great strategic importance. President Reagan and the Chinese leaders should see to it that Sino-U.S. relations are developing in this direction. Nixon adds: The main obstacle to the further development of Sino-U.S. relations is the Taiwan problem. This problem cannot be resolved at one stroke, but both sides must strictly abide by the principles of the 1972 Shanghai communique and the August 1982 Sino-U.S. joint communique.

U.S. REPRESENTATIVE PREDICTS TRADE GROWTH

OW260823 Beijing XINHUA in English 0805 GMT 26 Apr 84

["Good Year for Sino-U.S. Trade Development" -- XINHUA headline]

[Text] Beijing, April 26 (XINHUA) -- A U.S. trade representative in Beijing predicts that Sino-U.S. trade will grow to over 5 billion U.S. dollars and possibly 6 billion this year. William W. Clarke, resident representative of the National Council for U.S.-China Trade, said in an interview with XINHUA that people would see a high degree of trade and economic cooperation between the two countries as a result of Premier Zhao Ziyang's visit to the U.S. and President Ronald Reagan's China tour. He said that U.S. exports to China were heavily agricultural in the early 1970s and now have changed to machinery, motors, aircraft, computers and other non-agricultural products. Chinese exports to the U.S. have changed from foodstuffs and tea to textiles, non-metallic minerals, petroleum products, clothing, arts and crafts. He advised China to extend the scope of exports to the U.S. If China has competitive prices, raises the quality of products and delivers goods on time, it will find a big market in the U.S. and Chinese goods can be sold easily there, he added.

Clarke, who is also vice-president of the council's China operations, said U.S. business people now believed in investing in China. His council is sending ten to 15 delegations to China each year. But now more and more U.S. companies were getting familiar with the situation on how to do business with Chinese ministries and corporations, he said. Exchange of visits between leaders of the two countries would help create a better atmosphere of confidence in investment, Clarke said. In the past China has been somewhat unknown to U.S. investors, and now they are getting to know China better, Clarke said. The Chinese are working hard to improve the atmosphere of confidence by adopting new laws.

Commenting on the allegation that China would not achieve modernization without U.S. help, Clarke said that it was not and will not be the U.S. policy. China will achieve its modernization with or without U.S. help. He said he believed that President Reagan's visit would help promote Sino-U.S. trade. The future of trade and economic relations between the U.S. and China holds good. Nothing that comes along can change that, he added.

ARTICLE ON EXPANDING ON SINO-U.S. TRADE RELATIONS

OW260617 Beijing Domestic Service in Mandarin 2215 GMT 25 Apr 84

[Article by XINHUA reporters (Li Zhangjiu) and (Xu Lingxin): "There Are Vast Vistas in Sino-U.S. Economic and Trade Relations"]

[Excerpts] There has been a 200-year history of Sino-U.S. relations, since the U.S. merchant ship "Empress of China" arrived in Guangzhou for the first time in 1784. When we review the past we realize that the road in the development of relations between the two countries was tortuous. However, when we look to the future, we feel that there are vast vistas in the development of economic and trade relations between the two countries, despite the fact that the journey will not be a smooth one.

During the two decades after the founding of New China direct trade relations between the two countries were almost broken off for reasons known to everyone. At the beginning of the 1970's tremendous changes had taken place in the world situation. The United States could not help but fall from its peak strength, while New China continued to grow. Some far-sighted statesmen in the United States began to feel the need to change U.S. policy in dealing with China. It was with this background that U.S. President Nixon made his decision to visit China. On 21 February 1972 he made that visit. Premier Zhou Enlai extensively, earnestly, and candidly discussed various issues with him on the normalization of relations between the two countries, and other issues of mutual concern. The Shanghai joint communique was issued on 28 February in the same year. In the Shanghai communique, the United States pointed out: The United States acknowledges that all Chinese, on either side of the Taiwan Strait, maintain there is but one China, and that Taiwan is a part of China. On 16 December 1978, after nearly 7 years, China and the United States issued a joint communique on the establishment of diplomatic relations between the two countries. In the communique the United States recognized that there was only one China, and that the government of the People's Republic of China was the sole legal government of China. China and the United States formally established diplomatic relations on 1 January 1979, opening up vast vistas for friendly ties in all fields between the peoples of the two countries. On 30 January 1979, at a reception given by six U.S. organizations in Washington, Vice Premier Deng Xiaoping said: The establishment of diplomatic relations between China and the United States is a tremendous turning point in the history of Sino-U.S. relations. Relations have entered a new stage since that time.

The governments of the two countries signed a draft agreement on trade relations on 14 May 1979. The agreement stipulated: In order to establish trade relations between the two countries on an undiscriminatory basis, the two signatories of the agreement will give each other the status of the most preferred state. The two sides agreed to adopt all measures to promote the continuous development of trade relations over a long period between the two countries. According to statistics the total amount of bilateral trade between China and the United States, in the 5 years from January 1979 to the end of 1983, totalled 22.2 billion U.S. dollars. The total amount of trade in the first 3 years increased annually. However, the amount tended to decrease from 1982. There were many reasons for this decrease.

However, some of the discriminatory policies adopted by the U.S. Government towards China on trade had harmful effects on the development of economic and trade relations between China and the United States. Last year the U.S. Government decided to regard China as a nonallied, friendly nation in export trade. This is conducive to the development of economic and trade relations between China and the United States.

At the fourth session of the Sino-U.S. joint commission, held in Beijing this March, Wang Bingqian, state councillor and minister of finance, said: There has been progress in the talks between the two governments to avoid double taxation. He welcomed the policy adopted by the U.S. Government last year in relaxing export restrictions on U.S. technology to China.

The forthcoming visit to China by President Reagan, at the invitation of the Chinese Government, will definitely help enhance mutual understanding and friendship between China and the United States. We hope that President Reagan will strive to thoroughly remove the obstacles in Sino-U.S. relations, and bring about enormous progress in developing Sino-U.S. economic and trade relations on the basis of equality and mutual benefit.

BANK OF CHINA ON PRC-U.S. FINANCIAL COOPERATION

HK260427 Beijing ZHONGGUO XINWEN SHE in Chinese 02 GMT 25 Apr

[Report: "Jin Deqin Says Bank of China Is Willing To Carry Out Further Cooperation With U.S. Financial Circles" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 25 Apr (ZHONGGUO XINWEN SHE) -- Jin Deqin, president of the Bank of China, has published an article in the "Supplement on Sino-U.S. Economic Cooperation and Trade" to GUOJI JINGJI MAOYI BAO [INTERNATIONAL ECONOMICS AND TRADE] expressing his hope that, through the efforts made by financial circles in China and the United States, they can steadily promote the development of the trade, economic and technological cooperation between China and the United States, and the friendship between the people of the two countries.

Jin Deqin said: In May, 1973 the Bank of China established non-commercial contacts with the Chase Manhattan Bank in the United States. Later, it successively established such relations with the Bank of America, the Chicago First National Bank, and the Manufacturers Hanover Trust Bank. Diplomatic relations were established between China and the United States in 1979. Later the Chinese and U.S. Governments solved the problem of the freezing of funds; contact in U.S. and Chinese financial circles became more frequent. The Bank of China has successively established direct business relations with 90 major U.S. commercial banks. In addition, it has also established contact and business relations with the U.S. Import and Export Bank and some investment companies. The U.S. Chicago First National Bank, Chase Manhattan Bank, Bank of America, Hanover Bank, Chemical Bank, First Interstate Bank, Citibank, and Eastern Construction [jian dong 1696 2639] Bank have successively set up representative offices in China, while the Bank of China has set up a branch office in New York.

Presently there is a rather comprehensive intercourse in the areas of letters of credit, consignment of collection of payments, remittances, the sales of travellers's checks for one another, inter-bank accounts, trust advice service, short-term credits, the purchase and sales of foreign exchange, the formation of bank consortiums, and bill acceptance, between the Bank of China and the agents of the U.S. banks which have account relations with it.

He said: The economic and technological cooperation between China and the United States can be carried out in many fields and Bank of China and U.S. financial circles should carry out comprehensive cooperation in order to give impetus to the economic and technological development of the two countries.

ARTICLE REVIEWS PRC-U.S. AGRICULTURAL TIES

HK260408 Beijing CHINA DAILY in English 26 Apr 84 p 5

[Article by Jin Li: "Sino-U.S. Exchange Benefits Agriculture"]

[Text] Early in this century the honeydew melon was introduced to China from the U.S. It flourished in northwest China's Gansu Province and had a high production until a few years ago. By then, degenerated seeds and old farming methods had cut yields and diluted its sweetness. Then a group of Chinese horticulturists visited California and came home with new seeds and new methods. Experiments last year promise a renovation in the quality of honeydews in China. Meanwhile, word comes from California that hybrid rice seeds from China produced 65-80 percent more than the high-quality local strain "Starbonnet."

Such exchange in agriculture began in the wake of the diplomatic thaw symbolized by Richard Nixon's China visit in 1972. In 1974 the first American agricultural science delegation visited China as guests of the China Society of Agricultural Science. In the same year two groups of Chinese researchers went to the U.S., one on an investigative tour and the other to discuss photosynthesis. During the following four years non-governmental teams shuttled between the two countries, the Americans studying insects, wheat and vegetables in China, and the Chinese studying citrus fruit and agricultural management in the U.S.

Official contact began in November 1978, when Bob Bergland, secretary of agriculture in the Carter administration, brought a 19-member delegation to China. In 1979 the two governments set up a joint commission to oversee their agricultural co-operation in science and technology. "The joint commission is not a substitute for non-governmental effort," explained Liu Chongmen, who is on the commission staff. "The two parallel each other." The commission meets once a year to decide on the next co-operation programme. "The 1980 programme had 14 items," Liu said. "The list has since grown to 24 items a year."

Two symposiums on soybeans and one on citrus fruit have been held since 1982. Another on citrus is scheduled for this year in Chongqing, Sichuan Province. Scientists from both countries are co-operating on a study of silt in northwest China. "We hope to have more symposiums and joint research projects," Liu said. "There is good reason for give-and-take between China and the U.S.," Liu explained. "China has a big reservoir of plant species, especially wild ones. Chinese pigs are able to gain weight on coarse feed and sows can produce litters of up to 14. Biogas development in China has also caught the attention of American agronomists. On the other hand, China can learn much from the U.S. in farming techniques, tissue culture and genetic engineering in agriculture."

So far China has sent about 800 crop strains to the U.S., including vegetable, wheat, maize, soybean, rice, Chinese sorghum and oat strains. At the same time China has received equipment from the U.S. for its new agricultural research centres. The two countries have also exchanged 50 species of natural enemies of pests.

NORTH KOREANS LOOK FORWARD TO HU YAOBANG VISIT

OW260735 Beijing XINHUA in English 0715 GMT 26 Apr 84

[Text] Pyongyang, April 26 (XINHUA correspondents Qu Benjin and Gao Haorong) -- Prominent Korean officials say they are keenly looking forward to the visit of Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party, to their country in early May. Hu's visit to Korea will be "a big encouragement and support for the Korean people's socialist construction and independent and peaceful reunification of their country" and it will also "demonstrate to the whole world the great friendship and militant unity between the Korean and Chinese people."

Yi Chong-nok, deputy manager of the Tae'an heavy machinery plant, said that since Hu's visit to the plant in April 1982, their production quotas have been consistently overfulfilled. After learning of Hu's return visit, workers at the plant pledged to make every effort to increase production in way of greeting him, Yi Chong-nok said.

The Korea-China Friendship Taegam Cooperative Farm has maintained close ties with Beijing's China-Korea Friendship Red Star People's Commune since 1958. Chairman of the farm's managerial committee Cha Tu-hyok said that members of the League of Socialist Working Youth on his farm will be among those who fill the streets of Pyongyang to greet Hu Yaobang when he arrives. He said that he personally would lead farm members in efforts to produce a bumper harvest this year as a contribution to Korea-China friendship.

Yi Chong-suk, director of the Pyongyang Medical College, visited China last September. She said that students in the college's "Mao Zedong class" often exchange letters with the "Kim Il-song class" at the Beijing No 5 secondary school. Yi Chong-suk said that students in the "Mao Zedong class" are very interested in China's achievements in socialist construction. When they learned of Hu's coming trip, they were overjoyed. She pointed out that Korean-China friendship has become deeply rooted among the younger generation.

When Hu Yaobang visited Pyongyang in 1982 he presented 150,000 Chinese books to the Grand People's Study House. Kong U-sam, director of the foreign affairs department at the study house, said that those books were precious gifts that made an important contribution to the promotion of friendly ties between the two countries. Kong U-sam said that the books are popular with Korean readers and in order to meet the needs of readers, the study house will have them translated into Korean. Already several hundred of the books on science and technology have been translated and published in Korean.

KYODO REPORTS KIM IL-SONG PLANS MAY MOSCOW VISIT

OW260251 Tokyo KYODO in English 0241 GMT 26 Apr 84

[Text] Beijing, April 26 KYODO -- North Korean President Kim Il-song is expected to visit Moscow in late May in what is believed to be a show of equilibrium in his country's relations with China and the Soviet Union, diplomatic sources here said Thursday. The sources said Kim, who last made an informal visit to Moscow in 1967, will go to the Soviet capital by train. Following his stay in the Soviet Union, he will visit East European countries, including Bulgaria, Czechoslovakia, East Germany, Poland, and Hungary.

Chinese Communist Party General Secretary Hu Yaobang is scheduled to visit Pyongyang for talks with Kim in early May.

Kim, North Korea's only top leader since his country came into being after the end of World War II, visited Beijing in September 1982. He also made an official trip to Moscow in 1961, and followed it with an informal visit in 1967.

The diplomatic sources said North Korean officials have expressed to foreign visitors their displeasure with sports interchange between China and South Korea and President Ronald Reagan's China trip which begins Thursday.

They expressed the belief that Hu's coming trip to Pyongyang will provide an important opportunity to judge future Sino-Korean relations as it will take place after Reagan's visit to China and before Kim's trip to Moscow.

YANG DEZHI ATTENDS DPRK EMBASSY BANQUET FOR KPA

OW251612 Beijing XINHUA in English 1542 GMT 25 Apr 84

[Text] Beijing, April 25 (XINHUA) -- Chong To-chol, military attache of the Embassy of the Democratic People's Republic of Korea in Beijing hosted a banquet here this evening to celebrate the 52nd anniversary of the founding of the Korean People's Army at the embassy here this evening. Among the guests were Yang Dezhi, chief of the General Staff of the Chinese People's Liberation Army, and other high-ranking PLA officers.

Chong To-chol praised the friendship between the peoples and armies of the two countries. He said that the scheduled Korea visit in early May by Chinese Communist Party General Secretary Hu Yaobang would make further contributions to strengthening the existing friendly ties.

Speaking at the banquet, Huang Yukun, deputy director of the PLA General Political Department, said that the Chinese Armed Forces and the whole Chinese people firmly supported the just struggle of the Korean people for the independence and peaceful reunification of their fatherland. DPRK Ambassador to China Sin In-ha was also present.

BEIJING GARRISON MARKS KPA ANNIVERSARY

SK221046 Beijing International Service in Korean 1100 GMT 21 Apr 84

[Text] On the occasion of the 52d anniversary of the activation of the Korean People's Army in April when flowers are blossoming in warm sun rays, the division of the Beijing Garrison of the Chinese PLA was overflowing with the festive mood of commemorating this significant day together with their Korean comrades in arms. When Korean comrades in arms, including Korean Ambassador Sin In-ha and his wife, and Major General Chong To-chol, military attache of the Korean Embassy, and his wife arrived at the division headquarters by car at 1000, Comrade Li Zhongxuan, commander of the PLA Beijing Garrison, Comrade (Chin Do), commander of the division, Comrade (Wang Yongsun), divisional political committee member, officers and men of the division warmly welcomed the Korean comrades in arms. [applause]

The Korean comrades-in-arms were briefed on the glorious combat history of the division. [applause] At 0930 a meeting was held at the auditorium of the division to commemorate the 52d anniversary of the activation of the KPA. Comrade (Wang Yongsun), political committee member of the division of the Beijing Garrison, spoke at this meeting.

He said: [Begin recording in Chinese fading into Korean] Respected Comrade Ambassador Sin In-ha and Mrs Sin, respected Comrade Military Attache Chong To-chol and Mrs Chong, and dear Korean comrades in arms: The 52d anniversary of the activation of the heroic KPA falls on 25 April. Today, holding a splendid meeting at our division, the Beijing Garrison warmly celebrates the 52d anniversary of the activation of the KPA. We are very happy to see that Comrade Ambassador Sin In-ha, Comrade Military Attache Chong To-chol, and the Korean comrades in arms are participating in this meeting. On behalf of the officers and men of our division, I warmly welcome you and extend warm greetings and solidarity to the heroic KPA comrades in arms and to the courageous Korean people. [applause]

The KPA is a new people's army which President Kim Il-song, the great leader of the Korean people, has personally activated and which has developed the glorious revolutionary tradition. The heroic KPA has performed immortal exploits in achieving the independence and [word indistinct] of the fatherland by defeating the U.S. aggressors by resorting to the broad strata of the people after banishing the Japanese imperialists through a bloody struggle [words indistinct].

(?The current situation of Korea) is [words indistinct]. Achieving the reunification of the North and South is the ardent desire of all the Korean people. In 1980, President Kim Il-song advanced a proposal for founding the Democratic Federal Republic of Koryo. In January this year, he advanced a proposal for holding a tripartite meeting among the North and South of Korea and the United States. This shows [words indistinct] of the DPRK to achieve the fatherland's reunification. The Chinese people and the PLA resolutely support this and oppose [words indistinct].

Korea is an intimate neighbor like a family across a river. Our division has joined the people's volunteer army. When we recall [words indistinct]. Firmly uniting with the Korean people and with the KPA and struggling with them, we will win victory with them. We will make every effort to further strengthen and develop fraternal friendship and unity with the fraternal people. [applause] [end recording]

Following the speech of (Wang Yongsun), political committee member of the division of the Beijing Garrison, Maj Gen Chong To-chol, military attache of the Korean Embassy, spoke. He said: [Begin recording] Respected Comrade Garrison Commander Li Zhongxuan, respected Comrade Division Commander (Chin Do), respected Comrade Political Committee member (Wang Yongsun), and comrades: I express deep thanks to the military personnel of the Third Garrison Division for holding a splendid meeting on the occasion of the 52d anniversary of the activation of the KPA and to comrade Political Committee member (Wang Yongsun) for making an encouraging speech to warmly celebrate our festive day. [applause]

Since the KPA, our party's revolutionary armed force, declared its emergence to the world, 52 years have passed. During this period, the army has traversed a proud road which shines with victories and glory. The great leader Comrade Kim Il-song formed an armed anti-Japanese rank on 25 April 1930 based on the political and military foundation he had laid through the struggle to implement a revolutionary policy for activating an army. He then declared the activation of the Korean People's Revolutionary Army to the world.

Availing myself of this opportunity and on behalf of KPA officers and men, I extend deep thanks to fraternal Chinese PLA officers and men and to soldiers of the Third Garrison Division for always invariably supporting and encouraging the righteous struggle of our people to achieve the fatherland's independent and peaceful reunification. [applause]

Comrades, Korea and China are neighbors whose mountains and rivers are linked together. The peoples and armies of our two countries are revolutionary comrades in arms who have shared weal and woe by maintaining special ties of friendship. The peoples and soldiers of Korea and China have traversed the road of the revolution by jointly crossing the hill of trials hand in hand to achieve a common goal and ideal and by jointly waging a bloody, decisive battle.

Indeed, the history of Korea-China friendship is a brilliant one whose foundation was laid by the leaders of the two countries based on close, friendly comradeship, and on noble revolutionary fidelity and which has been solidified and developed. This history is a proud one in which the peoples of the two countries have jointly and victoriously struggled against the common enemy as class brothers and as revolutionary comrades in arms.

Our people and officers and men of the People's Army sincerely rejoice over the success attained by the fraternal Chinese people and soldiers of the PLA as their own. They wish them a greater success in the struggle to build China into a highly democratic and highly civilized powerful socialist country. [applause] [end recording]

The participants applauded the speeches of Comrade (Wang Yong-sun), political committee member of the division of the Beijing Garrison, and Maj Gen Chong To-chol, military attache of the embassy. [applause] Following this, Korean comrades in arms and the officers and men of the division watched a film produced by the Korean 8 February Art Film Studio.

DPRK REUNIFICATION SPOKESMAN ON TRIPARTITE TALKS

OW251646 Beijing XINHUA in English 1608 GMT 25 Apr 84

[Text] Pyongyang, April 25 (XINHUA) -- The United States is responsible for the delay of the settlement of the Korean problem by evading the tripartite talks proposal put forward by the Democratic People's Republic of Korea. This was stated by a spokesman of the Korean Committee for the Peaceful Reunification of the Fatherland in a talk issued here yesterday to mark the 100 days since the proposal was put forward on January 10. The spokesman said that the fact that the South Korean authorities and the United States turned down the proposal without any just ground shows that their long-standing proposition for tripartite talks "is a hypocritical slogan for propaganda purposes and peace on their lips is a sham peace and dialogue they talked about is a camouflage to conceal the policy of strength." The spokesman dismissed the U.S. and South Korean proposition of "North-South dialogue" and "a conference of countries concerned" as one that cannot solve the basic problems of the Korean peninsula and is "by no means justifiable." He once again urged the United States and the South Korean authorities to correct their wrong stand and attitude and respond to the DPRK's tripartite talks proposal without delay. North Korea will wait for the United States and the South Korean authorities to come out to the tripartite talks, said the spokesman.

TURKISH WOMEN'S DELEGATION ARRIVES FOR VISIT

Kang Keqing Meets Delegation

OW201847 Beijing XINHUA in English 1641 GMT 20 Apr 84

[Text] Beijing, April 20 -- (XINHUA) -- Kang Keqing, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and president of the All-China Women's Federation, met and feted a women delegation from Turkey led by Mrs Senay Curvit, daughter of Turkish President Kenan Evren here today.

Kang Keqing said that the Sino-Turkish friendship had dated back to ancient times and the famous "Silk Road" linked the two countries together. The exchange of visits between the leaders and peoples of both countries in recent years had promoted the Sino-Turkish friendship, she added. She expressed the hope that the women of the two countries would joined hands in defending world peace and the friendship of women all over the world.

Mrs Curvit said the long-standing friendship between the two peoples was deepened by the visit by Chinese President Li Xiannian and his wife to Turkey not long ago. She expressed the conviction that the visit of her delegation would further promote the friendship between the two countries. The delegation arrived here yesterday at the invitation of Kang Keqing.

Li Xiannian Meets Leader

OW221733 Beijing XINHUA in English 1625 GMT 22 Apr 84

[Text] Beijing, April 22 (XINHUA) -- President Li Xiannian and his wife Lin Jiamei had a reunion with Mrs Senay Curvit, daughter of Turkish President Kenan Evren, here this evening. Mrs Curvit, acting as the first lady of Turkey, assisted her father in receiving Li Xiannian and his wife while they were visiting Turkey last month.

Li said: "During my stay in Turkey I had very good talks with President Evren. We shared similar views on many questions. Both of us were satisfied with the development of the relations between our two countries." Li Xiannian hoped such relations would grow still further. Li Xiannian asked Mrs Curvit to convey his greetings to President Kenan Evren and his gratitude to him, to the Turkish Government and people for the hospitality they accorded him during his visit to Turkey.

Mrs Curvit said, "The friendly relations between our two countries have made big progress, extending from the presidents to school-children, from women to other sectors of society." She said she would go to Shanghai where she hoped to meet Wang Qing, a schoolgirl there who had been President Evren's guest last year.

Li Xiannian later hosted a dinner party for Mrs Curvit and the Turkish women's delegation she is leading. Among those present were Kang Keqing, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and president of the All-China Women's Federation, and Tomur Bayer, charge d'affairs ad interim of the Turkish Embassy in Beijing.

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PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

ZHANG JINGFU MEETS BELGIAN DELEGATION

OW211212 Beijing XINHUA in English 1159 GMT 21 Apr 84

[Text] Beijing, April 21 (XINHUA) — State Councillor Zhang Jingfu met here this afternoon with a delegation from the Hainaut Province of Belgium led by its Governor Michel Tromont. They discussed matters concerning expansion of economic and technical cooperation between China and Belgium.

TRADE COUNCIL GROUP LEAVES FOR SWITZERLAND

OW250947 Beijing XINHUA in English 0735 GMT 25 Apr 84

[Text] Beijing, April 25 (XINHUA) — An economic delegation from the China Council for the Promotion of International Trade led by its chairman Wang Yaoting left here for Switzerland by air this morning at the invitation of the Swiss Office for the Development of Trade and the Sample Fair in Basel.

ARTICLE ASSESSES NATO CONVENTIONAL DEFENSE DEBATE

HK250250 Beijing GUANGMING RIBAO in Chinese 17 Apr 84 p 4

[Article by He Dalong: "Debate Within NATO on Strengthening Conventional Defense"]

[Text] When NATO marked the 35th anniversary of its founding on 4 April this year, a heated debate on how to strengthen its conventional defense was raging in this organization. It seems that the issue of NATO's conventional defense is no less controversial than that of deploying American medium-range missiles in Western Europe. No wonder a U.S. official in NATO said: "If last year was a 'missile year,' then this year will be a 'conventional defense year.'"

The present debate arose over former U.S. State Secretary Henry Kissinger's article "A Plan for Reforming NATO," which was carried by the American TIME magazine on 5 March. In the article Kissinger said that Western Europe should play "a new and more important role" in NATO. That is to say, European allies in NATO are requested to undertake more defense responsibility through strengthening their own conventional military forces.

Kissinger's viewpoint triggered off a political storm in Western Europe. As a former director of the Political Department of the French Foreign Ministry said, Kissinger's plan for reforming NATO "has evoked strong repercussions in our neighboring countries," and "has greatly upset West German leaders." This French official said that Kissinger's plan was mainly intended to pressure West Germany into increasing its defense efforts. Because West Germany had become the focus of attention on the question of conventional defense, its foreign minister quickly issued a statement, saying that Kissinger's analysis of the situation was basically correct and his military viewpoint of strengthening conventional combat capacity so as to raise the nuclear threshold was also correct, but something in his conclusion and proposals has gone too far. On the other hand, Schmidt, former West German chancellor, specifically wrote an article to support Kissinger's viewpoint, calling for all West European governments to seriously consider Kissinger's proposals. Schmidt also pointed out that when reconsidering its general strategy, NATO needs to reform its military strategy.

He said: "Nuclear weapons should not be given up; there should be a better equilibrium in the conventional field!" The British paper THE FINANCIAL TIMES said: "When state leaders of the European Community meet in Paris next June, President Mitterrand will further advance the debate on the question of what responsibility Europe should bear for its own security."

Why have the NATO countries started to discuss the issue of strengthening their conventional defense? In the 1950's, NATO adopted a so-called "massive retaliation strategy" on the basis of the United States' apparent nuclear superiority. According to this strategy, if the Warsaw Pact countries infringed on NATO's borders, it would threaten a large-scale nuclear retaliation. Therefore, NATO only deployed a number of conventional troops "to defuse mines" on the front.

However, in the 1960's the Soviet Union began to catch up with the United States in the nuclear arms race. NATO was then forced to revise its strategy and adopted the "flexible response strategy": NATO would first use conventional troops to meet the Soviet bloc's challenge and would use nuclear weapons only if required. Therefore, NATO greatly increased its conventional forces and no longer threatened to use nuclear weapons as wantonly as it did before.

In the mid-1970's a basic equilibrium of strategic nuclear strength between the two superpowers was established, and the Soviet Union began to deploy SS-20 missiles in Europe. This development greatly upset NATO countries. They finally adopted the "dual decision" in December 1979: Preparing to deploy U.S. cruise missiles and Pershing-II missiles in Western Europe, while the United States began to negotiate with the Soviet Union on dismantling medium-range missiles in Europe.

When the first American medium-range missiles were deployed in Western Europe late last year, NATO defense ministers stressed at their winter meeting that while continuing to deploy medium-range missiles according to the set timetable, the NATO countries must develop new technology and strengthen conventional military forces so as to raise the nuclear threshold and to better defend the alliance's security. Since NATO defense ministers have already agreed to strengthen their conventional defense, why is there a heated debate still occurring within this organization on this matter?

Strengthening defense and conducting arms expansion and war preparations all require higher military spending. However, after undergoing the most serious economic crisis since the great depression in the 1930's, the Western economies are still recovering slowly, and unemployment in these countries remains high. The Western countries are all pursuing a strict retrenchment financial policy. Under such circumstances, it is not easy to request the West European countries to increase their military spending by a large margin. No wonder the West German ambassador to NATO said: "The primary task at present is to restore economic growth; increasing defense expenditures can only be considered after the economy is fully recovered." It seems that the debate will continue for some time.

FURTHER ON FRIENDSHIP GROUP'S EAST EUROPE TOUR

Visits Poland

OW210303 Beijing XINHUA in English 0240 GMT 21 Apr 84

[Text] Warsaw, April 20 (XINHUA) -- China and Poland hope to develop the relations between the two countries by redoubling their contacts and increasing cooperation in all fields. This was stated this afternoon in a meeting between Tadeusz Witold Mlynczak, vice president of the Polish State Council and a delegation from the Chinese Association for Friendship With Foreign Countries headed by chairman of the association Wang Bingnan.

Stefan Perkowicz, chairman of the Presidium of the Chinese-Polish Friendship Society and Xiang Zhongpu, Chinese chargé d'affaires to Poland, attended the meeting. Polish Vice President of the National Assembly Zbigniew Gertych, Deputy Minister of Foreign Affairs E. Kucza and other dignitaries this evening attended a reception for the visiting delegation in the Chinese Embassy.

Meets Foreign Minister

OW220258 Beijing XINHUA in English 0247 GMT 22 Apr 84

[Text] Warsaw, April 21 (XINHUA) -- Polish Foreign Minister Stefan Olszowski said here today that Poland attaches importance to developing friendly relations and effective cooperation with China. He made the statement while receiving a delegation of the Chinese People's Association for Friendship With Foreign Countries led by its president Wang Bingnan. Olszowski also expressed the wish for continued development of cooperation in economy, trade, science, technology and culture between Poland and China.

The Chinese delegation, which arrived here on April 14 at the invitation of the Polish-Chinese Friendship Association, is the first of its kind to visit Poland in the last twenty years. In an interview with reporters of ZYCIE WARSZAWY shortly before winding up his visit here, Wang Bingnan said he hoped that the friendship between the two peoples would develop steadily along with the improvement of relations between the two countries. The delegation will leave here for the German Democratic Republic Monday.

Arrives in GDR

OW250719 Beijing XINHUA in English 0642 GMT 25 Apr 84

[Text] Berlin, April 24 (XINHUA) -- Vice-Chairman of the State Council of Democratic Germany Gerald Geotting met with the Chinese friendship delegation led by Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, here today. During the talks, the two sides reviewed the traditional friendship between the two countries, and briefed each other on the achievements won in the Chinese and Democratic German socialist construction and respective foreign policies. They were satisfied with the positive development of friendship between the two countries, and made constructive proposals for further development of the friendship.

Wang Bingnan and his four-member delegation arrived here yesterday for a week-long visit at the invitation of the German Democratic Republic League for Friendship Among the Peoples.

CANADIAN PARLIAMENTARY GROUP VISITS PRC

Arrives in Beijing

OW220721 Beijing XINHUA in English 0705 GMT 22 Apr 84

[Text] Beijing, April 22 (XINHUA) -- A Canadian parliamentary delegation, led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis, arrived here by air today for a friendly visit to China. The delegation, at the invitation of Peng Zhen, chairman of the Standing Committee of China's National People's Congress, were greeted at the airport by the committee's Vice-Chairman Huang Hua. Canadian Ambassador to China Michel C. Gauvin and diplomatic officials of the embassy were also present at the airport.

Meet With Peng Zhen

OW221706 Beijing XINHUA in English 1622 GMT 22 Apr 84

[Text] Beijing, April 22 (XINHUA) -- Peng Zhen, chairman of the Standing Committee of the National People's Congress, met here today with a Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis. Welcoming the guests, Peng Zhen suggested that they tour other parts of China to see more, including the advanced and the backward, good points and shortcomings. This would help deepen mutual understanding and friendship, Peng Zhen said. He noted that their current visit would further promote the friendly cooperation between China and Canada. Peng Zhen also briefed the guests on the structure of the NPC and answered their questions.

Present at the meeting were Huang Hua, vice-chairman of the NPC Standing Committee, and Wang Hanbin, secretary-general of the NPC Standing Committee. Canadian Ambassador to China Michel C. Gauvin was also present.

The delegation arrived here earlier today at the invitation of Peng Zhen.

Attends Banquet

OW221717 Beijing XINHUA in English 1641 GMT 22 Apr 84

[Text] Beijing, April 22 (XINHUA) -- China will join Canada and all peace-loving countries and peoples in opposing hegemonism and the arms race of the superpowers and in working persistently for the maintenance of world peace. This was stated by Peng Zhen, chairman of the Standing Committee of the National People's Congress, at a banquet he gave here this evening in honor of the Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis. Peng Zhen expressed appreciation for the efforts made by Prime Minister Pierre Trudeau of Canada for the relaxation of international tension. Peng Zhen reviewed the development of friendship between the people of China and Canada and their friendly cooperation since the establishment of Sino-Canadian diplomatic relations in 1970. He said that the exchange of visits between Prime Minister Pierre Trudeau and Premier Zhao Ziyang not long ago had pushed the relations of friendly cooperation between the two countries to a new stage. Peng Zhen extended warm welcome to the Canadian guests and spoke of Dr Norman Bethune who had given his life to the cause of the Chinese people's liberation some forty years ago.

Dr Bethune had brought with him the profound feelings of the Canadian people for the Chinese people, he said. Peng Zhen reiterated China's open policy, saying that to expand ties of friendship and cooperation with other countries on the basis of equality and mutual benefit is China's long-term basic policy. He expressed the hope to expand the two countries' friendly cooperation in the political, economic, scientific, technological, cultural and other fields.

Canadian Senate Speaker Maurice Riel spoke highly of the sincere friendship between the two peoples and their friendly cooperation. He said the Canadian people fully agreed to what Premier Zhao Ziyang had said last January in Canada that "the bilateral relations between China and Canada show that countries with different social systems should and can live together in amity and cooperation to mutual benefit."

Huang Hua, vice-chairman of the NPC Standing Committee, and Canadian Ambassador to China Michel C. Gauvin were present at the banquet.

Wu Xueqian Meets Delegation

OW231327 Beijing XINHUA in English 1300 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- State Councillor and Foreign Minister Wu Xueqian met this afternoon with the Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis. They had a friendly conversation on China's foreign policy and international issues of common interests. Qian Min, a Standing Committee member of the National People's Congress, and Canadian Ambassador to China Michel C. Gauvin were present on the occasion.

Talks With Chen Muhua

OW231451 Beijing XINHUA in English 1435 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- China hopes that Canada will help Chinese commodities enter its domestic market and reduce the trade imbalance between the two countries, Minister of Foreign Economic Relations and Trade Chen Muhua said here today. In talks with a Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis, Chen said Canada was China's fifth-largest trading partner. There was still great potential for increased Sino-Canadian trade, she added.

Also present at today's meeting were Qian Min, a member of the Standing Committee of the National People's Congress, and Michel Gauvin, Canadian ambassador to China.

Huang Hua Holds Talks

OW241115 Beijing XINHUA in English 1034 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- Huang Hua, vice-chairman of the Standing Committee of the National People's Congress, held talks today with a Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis. The two sides exchanged views on the development of relations between the two parliaments and countries, as well as on international issues of common interest.

Both expressed their common desire to improve the friendly exchanges between the parliaments. At the Canadians' request, Huang Hua outlined the legislation for protecting foreign investment in China and the organization of the People's Congress. He said that the stipulation to protect foreign capital in the new Constitution approved in 1982 showed that this was long-term fundamental policy. Under the stipulation, China had formulated seven laws on this and would draw up more, he added. He told the Canadian guests of an investment law now being drawn up.

Attending the talks were: NPC Standing Committee members Zeng Tao, Qian Min, Hu Jiwei and Wang Guoquan on the Chinese side; and all members of the Canadian delegation, and Canadian Ambassador to China Michel C. Gauvin.

Meets Zhao Ziyang

OW241858 Beijing XINHUA in English 1553 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- China's policy of opening to the outside world is a long-term state policy which must be further expanded to provide more favorable conditions for foreign investors and give local authorities more power to solve problems on the spot, Premier Zhao Ziyang said here today. In talks with a Canadian parliamentary delegation, Zhao said the relationship between China and Canada was a fine example of friendly cooperation between the countries with different social systems. He had seen new developments in that cooperation since his visit to Canada in January, he said, adding that he hoped that more Canadian industrial and commercial people would invest in China.

Canadian Senate Speaker Maurice Riel said that China's expansion of the opening policy showed that countries with different social systems could live in peaceful coexistence and carry out cooperation with mutual benefit. The Canadian delegation hosted a return banquet this evening. Present was Huang Hua, vice-chairman of the Chinese National People's Congress Standing Committee.

Meeting With Li Xiannian

OW250852 Beijing XINHUA in English 0829 GMT 25 Apr 84

[Text] Beijing, April 25 (XINHUA) -- Li Xiannian, president of the People's Republic of China, today said that China's policy of opening to the outside world is beneficial to the promotion of friendly exchanges and economic promotion between various countries and to the defending of world peace. He made this remarks [as received] at a meeting with the Canadian parliamentary delegation led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis, here this morning. Li Xiannian said China supported the efforts made by Canadian Prime Minister Pierre Trudeau for easing international tension. "The people throughout the world want peace. Therefore we should work for world peace," he said. Li Xiannian reiterated China's stand for peaceful coexistence between the countries with different social systems. Countries, big or small, should enjoy equality and not interfere in each other's internal affairs, he added. He expressed satisfaction with the development of Sino-Canadian relations.

The Canadian guests briefed Li Xiannian on the development of the Senate, the House of Commons and the Privy Council and their political status and role. Maurice Riel said Canada and China enjoyed good relations and shared identical views on many issues. He expressed the belief that the current visit of his delegation would help promote friendship and cooperation between the two countries.

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WESTERN HEMISPHERE

Present on the occasion were Qian Min, member of the National People's Congress Standing Committee, and Michel Gauvin, Canadian ambassador to China

Leaves Beijing for Shanghai

OW251616 Beijing XINHUA in English 1520 GMT 25 Apr 84

[Text] Shanghai, April 25 (XINHUA) -- A Canadian parliamentary delegation, led by Senate Speaker Maurice Riel and Speaker of the House of Commons Lloyd Francis, arrived here from Beijing by air today for a friendly visit. The Standing Committee of the Shanghai Municipal People's Congress held a dinner party this evening to welcome the Canadian friends. Hu Lijiao, chairman of the Standing Committee, said in his toast that being one of the coastal cities designated to practice flexible economic policies to make use of more foreign funds and introduce foreign technology, Shanghai would further enhance its economic contacts and trade with Canada.

Maurice Riel said Shanghai had attracted the attention of the Canadian people since many of the friendly contacts between the two countries were taking place in Shanghai. He expressed the belief that the visit of the delegation would further promote the development of the friendly cooperation between the two countries.

Huang Hua, vice-chairman of the Chinese National People's Congress Standing Committee, saw the delegation off when they left Beijing this morning.

CHEN MUHUA MEETS CANADIAN DEVELOPMENT GROUP

OW211440 Beijing XINHUA in English 1201 GMT 21 Apr 84

[Text] Beijing, April 21 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met here this afternoon with a delegation from the Canadian International Development Agency (CIDA) led by its vice-president Art Wright. Chen Muhua expressed hope for expanded cooperation in science and technology between China and Canada in new areas and forms.

Wright said that such cooperation would benefit both peoples and that Canada could also learn from China's strong points through the cooperative programs. The Canadian delegation has come to attend the annual China-Canada consultations on economic cooperation at the invitation of Chen's ministry. China and Canada have been cooperating in agriculture, forest protection, utilization of energy and human resources development in recent years. The Canadian agency has played an active part in this cooperation. During their stay in Beijing, the Canadian delegates discussed with their hosts projects in economic and technical cooperation with free economic aid from Canada.

LARGEST PRC EXPORT EXHIBIT IN CANADA OPENS

OW151224 Beijing XINHUA in English 1153 GMT 15 Apr 84

[Text] Edmonton, Canada, April 14 (XINHUA correspondent Gu Yaoming) -- A rich array of Chinese merchandise for export attracted great interest from 10,000 Canadian and American visitors when an economic and trade exhibition opened this afternoon in Edmonton, the western industrialized city of Canada.

At the invitation of the government of Alberta Province of Canada, the exhibition, the largest one China has ever held in Canada, covers 5,000 square meters with the China Council for the Promotion of International Trade as its organizer. Among the more than 5,200 varieties of products on display are light industrial products, textiles, arts and crafts, machinery, hydropower generators, ship models, decorative building materials, carpets and jewels, which demonstrate China's achievements in economic development and foreign economic relations and trade. As a sister province of Alberta, Heilongjiang Province of China occupies a prominent place at the exhibition with 10 foreign trade corporations and one tourist company as participants and 1,686 varieties of products on display.

Peter Lougheed, premier of Alberta Province, said after touring the exhibition, "The exhibition is extremely impressive; it's better than any presentation I have seen before." He hopes that the results of the 22-day exhibition will be a success in the terms of promoting mutual understanding between the two peoples and more import of Chinese products by North American businessmen.

Bud Olson, leader of the Canadian Federal Government in the Senate, Chinese Ambassador to Canada Yu Zhan and other Canadian and Chinese officials were present at the opening ceremony.

ARGENTINE PARTY DELEGATION CONTINUES VISIT

Meets Wu Xueqian

OW230951 Beijing XINHUA in English 0857 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- Wu Xueqian, Chinese state councillor and minister of foreign affairs, met here today with a delegation from the Argentine Radical Civilian Union Party led by Hipolito Solari Yrigoyen, special envoy of the Argentine president. Both sides exchanged views on some international issues of common interest.

Li Xiannian Meets Group

OW231807 Beijing XINHUA in English 1620 GMT 23 Apr 84

[Text] Beijing, April 23 (XINHUA) -- Chinese President Li Xiannian this afternoon met a delegation from the Radical Civilian Union Party of Argentina led by Hipolito Solari Yrigoyen, special envoy of the Argentine president. Li said China paid great attention to cooperation with Argentina and was willing to develop friendly relations with other Latin American and Third World countries. China practised independent foreign policies and held that all countries, whether large or small, should be equal, get on well with each other on the basis of the five principles and strive to defend world peace, he added. Li also asked the delegation to convey his regards and an invitation to visit China to President Alfonsín.

Qian Liren, head of the International Liaison Department was also present at the meeting. Chinese State Councillor Ji Pengfei met and feted the delegation this evening. The delegation will leave here for home tomorrow.

GUANGMING RIBAO ON POLICY TOWARD INTELLECTUALS

HK251415 Beijing GUANGMING RIBAO in Chinese 18 Apr 84 p 1

[Report by reporter Han Siyi: "CPC Propaganda Department Recently Held Consecutive Forums on Intellectuals"]

[Text] The Propaganda Department under the CPC Central Committee recently held consecutive forums on intellectuals. The forums were attended by some middle-aged intellectuals from the literature and art, educational, journalistic, and theoretical departments of the capital city. Yu Wen, Wang Huide and Zeng Delin, deputy heads of the Propaganda Department, and its secretary general, Li Yan [2621 2750], separately presided over the forums. The comrades participating in the forums gave speeches on the questions relating to the implementation of the policy toward intellectuals.

All participants unanimously maintained that the implementation of the policy toward intellectuals is a major task for the whole party. Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has done a lot of work in this respect, and heartening advances have been scored in the implementation of the policy toward intellectuals by various localities and units. However, as "leftist" erroneous thinking has not been eliminated, there quite a few problems still remain concerning the implementation of the policy toward intellectuals in various localities, and the fact that intellectuals are discriminated against, pushed out, and attacked is not a rare occurrence. Some localities and units talk much but do little, and as a consequence, the policy toward intellectuals has not been implemented down to the right place and the right person. Quite a few comrades are far from emancipating their minds and are not bold enough to carry out their work. They lack the courage to utilize the enthusiasm of intellectuals in every possible way, to throw regulations and restrictions to the winds, to smash the practice of egalitarianism, and to thoroughly discard the same big pot and practice the principle of more pay for more work so as to boost the income of the intellectuals so they can create more wealth for the state. They also lack the courage to break rules to promote and boldly use intellectuals and to assign them work at the posts where they can give the fullest play to their strong points and role, and they fear creating necessary working and living conditions in the light of actual conditions for the intellectuals whose problems in such fields as work, study, and life remain unsolved. All this has prevented the intellectuals, middle-aged intellectuals in particular, from bringing their role into better play.

China's middle-aged intellectuals are shouldering the historic mission of bridging the past to the future and carrying on our cause and forging ahead. Hardworking, diligent, and utterly devoted to their own work, most of them are the professional key elements in the forefront, the backbone of the socialist construction cause, and the precious wealth of the party and the state. They have a common aspiration: Do more work for the party and the people while we are still in the prime of life. Nevertheless, intellectuals of this generation have parents and children to support, get meager wages, live in crowded rooms, and are heavily tied down by household chores. All this has directly affected their work, study, and health conditions. Adequate importance should be attached to this state of affairs.

The kernel of the implementation of the policy toward intellectuals lies in taking good care of and making rational use of the intellectuals and in letting them fully play a positive role in the four modernizations. Various problems encountered by the middle-aged intellectuals are not problems that concern individuals. To solve these problems satisfactorily, it is necessary to emancipate minds and strive to carry out reforms. It is necessary to reform those labor, personnel, and wage systems that do not suit the needs of the four modernizations.

It is also necessary to boldly promote capable intellectuals and make good use of their strong points, give them proper jobs, powers, and responsibilities; to smash the practice of egalitarianism; and to create better conditions of work, study, and life for the promising intellectuals who work with a will to make the country strong and with a death defying spirit and have made outstanding contributions for the state. In this way the enthusiasm of the intellectuals can be aroused to the fullest extent and their fear of distance in the rear can be relieved so that they can be, in a true sense, treated equally without any discrimination politically, given a free hand in their work, and well taken care of in their life. Over the last few years a large group of the middle-aged intellectuals have been promoted to leading positions at various levels. The majority of them are considerably overloaded with their administrative and professional duties and family burden. It is therefore necessary to pay attention to solving their special difficulties so that they can carry out their work with single-hearted devotion in the course of solving the difficulties in the well-being of the masses.

SHIJIE JINGJI VIEWS APPROACH TO WESTERN ECONOMICS

HK240954 Beijing SHIJIE JINGJI in Chinese No 3, 10 Mar 84 pp 1-4

[Article by Qian Junrui: "Observe World Economy and Politics With the Scientific Method of Marxism"]

[Text] During my recent illness I read a fine article by Comrade Chen Daisun, a senior economist in our country, entitled "Research Into Modern Western Economics and the Modernization of Our Country's Socialist Economy." (carried in RENMIN RIBAO on 16 November 1983). Our revered Comrade Chen clearly pointed out: "We should admit that there are things worth our reference in foreign economics, especially its methods of reasoning and analysis, its calculation and forecasting techniques, and its means of management." He also put forth five concrete aspects in modern Western economics that are worth our study and reference. At the same time, he gave us the sincere advice, based on theory and on summing up our practical experiences, that we should never "blindly advocate or entirely copy" Western economics without making an analysis and a distinction, and even less should we overlook or negate the essential difference between the two kinds of social systems -- socialism and capitalism -- or thus regard the "way of capitalist countries in developing the economy" as an "economic pattern for our country" and "modern bourgeois economic theory" as "guiding thoughts for the development of our national economy." Our revered Comrade Chen's article is pithy and of far-reaching importance. As a senior economist, he made a profound study of Western economics and was greatly influenced by it during his early years. However, today he has been able to adhere in a clear-cut manner to the stand, viewpoint, and methods of Marxism and to the socialist system, and to put forth in an all-round and correct manner the attitude and measures that we should adopt in dealing with the modern capitalist system and Western economic theory. This cannot help but make us show him our particular sincere respect. All of us, particularly the middle-aged and young comrades, should conscientiously learn from his lofty virtue in persisting in carrying out the revolution to the bitter end despite his old age.

Now I will give my general ideas on the scientific attitude and methods in the field of research into international economy and politics. These ideas can be regarded as an extension and supplement to Comrade Chen Daisun's article in light of the current situation. I hope readers will make criticisms of my views in order to correct any errors in them.

Since the founding of the PRC, under the guidance and concern of Comrades Mao Zedong and Zhou Enlai, we have done a large amount of work and scored tremendously great achievements in carrying out various activities in the field of research into international economy and politics. Since the 1970's, Comrade Mao Zedong's glorious theory on the classification of the three worlds has become a guiding idea for all the external activities of our country.

In particular, since the smashing of the gang of four and the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has used the correct Marxist line to bring order out of chaos, has focused on correcting "leftist" errors, including the "leftist" errors in the external activities of our party and state, has put an end to the policy of closing the country to external intercourse, has carried out the correct policies of enlivening our economy at home and opening up to the outside world, and has thus scored marked achievements in the past few years. A new situation has also emerged in our work of researching into world economy and politics. Of course, it is impossible for us to thoroughly eliminate once and for all the remnant influence of the previous "leftist" ideology. Therefore, we must be sufficiently on our guard against and continue to remove this influence.

However, during the past few years, as our minds are emancipated and as we carry out a policy of opening up to the outside world, there has emerged, besides many of our major achievements (this is a main trend that we must affirm), a certain degree of a bourgeois liberalization tendency in our research into world economy and politics; for example, the tendency of beautifying capitalism, doubting socialism, spreading decadent bourgeois ideology, and distorting and vilifying certain important principles of Marxism-Leninism. This tendency is mainly shown in the following aspects:

1. There has been a certain degree of one-sidedness in briefing people on the state of affairs in developed capitalist countries. For example, some comrades have only briefed people and only made propaganda on the strong points of Western countries, such as the powerful productive force, developed science and technology, and relatively high living standards of the people. These are indeed facts. After World War II, in the 1950's and 1960's, the Western capitalist countries' economy underwent a period of relatively stable and quick development in which their production, science, and technology developed quickly and, generally speaking, the people's livelihood greatly improved. However, in the same period, our country, China, underwent the 10 years of turmoil, was on the verge of an economic collapse, and was thus in a very difficult predicament. In such circumstances some people, particularly the young, can easily form in their minds the false idea that "capitalism is better than socialism." We can entirely understand this. However, we should always keep our minds sober under the guidance of Marxism and make a comprehensive analysis of the essence of things. Furthermore, during the past few years, as our country has been carrying out a policy of opening up to the outside world, we have sent many delegations and research workers to visit Western countries and observe the state of affairs there. When some of them returned from their visits, they gave speeches and talks and wrote articles in which they often talked only about, or even failed to mention at all, the fact that the essence of the capitalism of our times is still imperialism, where financial magnates rule everything. They also failed to mention the continuous existence in Western countries of cyclical crises, serious unemployment, inflation, impoverishment of the proletariat, racial discrimination, a decadent spiritual life devoid of meaning, and sharp social contradictions. This cannot objectively help but play a negative role in publicizing capitalism and belittling socialism.

2. We overlook the essential bourgeois nature of Western countries' economic theory and the essential difference between socialist and capitalist economies. Marx once pointed out that after the British and French bourgeoisie seized state power in 1830, the class struggle between the proletariat and the bourgeoisie became increasingly sharp and vulgar economics replaced classical economics and rose to a dominant position. Undoubtedly, bourgeois vulgar economics naturally regards defending the capitalist system as its bounden duty. Therefore, its viewpoint and methodology are confined to describing the superficial relations between economic phenomena and it will never be possible for it to profoundly deal with the essential contradictions of capitalist social economy. (Footnote 1) ("Collected Works of Marx and Engels," Vol 23, pp 17, 98)

Nevertheless, Marx did not negate certain specific correct views and valuable opinions of vulgar economics on the grounds that the theoretical system and basic viewpoint of vulgar economics were wrong. His scientific attitude toward bourgeois economic theory and bourgeois vulgar economics provide us with a shining example in correctly treating contemporary bourgeois economic theory and methods of economic management. In the past we adopted an attitude toward Western economics and methods of economic management of negating everything. This was obviously a one-sided and very erroneous attitude. During the past few years we have paid attention to briefing people on Western economic theory and methods of economic management and have striven hard to assimilate their scientific and useful parts to serve our socialist economic development. This is an entirely correct principle. In this area we have fallen far short of requirements and must continue to make efforts. This is one aspect of the problem. On the other hand, just as Chen pointed out in his article: "After more than 20 years of separation, foreign economics becomes something completely new to some people. This newness cannot help but cause some bewilderment and make some people switch from being self-satisfied to being self-doubting and from being self-doubting to blindly advocating foreign economics without making an examination and a distinction." The practice that regards bourgeois economics as positive teaching material, briefing people on and publicizing it without making a criticism of it, and blindly and mechanically applying certain conceptions of Western economics without making analysis or criticism, has often rise to ideological confusion and is therefore inappropriate.

We must not adopt such an attitude toward Western vulgar economics, even less toward bourgeois classical economics. In the past few years our country's theoretical circles have carried out a reevaluation of the British classic economist David Ricardo's theory of comparative advantage. There is something rational in this theory in explaining the fact that varying degrees of conservation of social labor can be achieved through carrying out trade and utilizing the international division of labor between countries of different labor productivity, and that trade will thus bring certain degrees of advantage to both parties in the trade. This discussion is favorable for promoting the development of our country's foreign trade. However, there is a fundamental shortcoming in Ricardo's theory of comparative advantage, for it overlooks the impact of the irrational international division of labor and the impact of differences in labor productivity on international exchange, and thus it overlooks the exploitation of the relatively backward countries by the developed countries in international commodity exchange and the harm the developed countries have done to backward ones in exchange. Therefore, we must adopt a scientific attitude of dividing one into two toward Ricardo's theory of comparative advantage. We should neither entirely negate nor entirely confirm this theory and, naturally, even less should we regard it as an idea for guiding socialist China's foreign trade.

For many years Western bourgeois economists have been putting their utmost efforts into publicizing "theories" that beautify capitalism and distort socialism, such as the so-called "mixed economy" and the "theory of merging" capitalism and socialism. What they call "mixed economy" refers to the "economic control exercised by state organs over private enterprises" in a capitalist society, or, in other words, the "combination of controlled economy and free economy." Very obviously, this kind of "mixed economy" is still a capitalist economy based on bourgeois private ownership and, in the Western world today, it is what people usually call state monopoly capitalism. As Engels pointed out long ago, turning capitalist enterprises into the property of the state or strengthening the state's interference in the economy through financial and fiscal means does not eliminate the essence of the productive force as capital under capitalist conditions. Modern states are only organizations that bourgeois societies have set up in order to safeguard the common external conditions of the capitalist mode of production and in order to prevent the harm that workers and a few capitalists may do to these conditions. (Footnote 2) ("Selected Works of Marx and Engels," Vol 3, p 318) State capitalism or state monopoly capitalism is diametrically different from socialism.

Under capitalist conditions it is entirely impossible to operate a planned economy throughout society or to eliminate the anarchism and competition of capitalism. Those who uphold "merging socialism and communism" regard the combination of state intervention and market economy as merging capitalism and socialism, but what they in fact advocate is the theory of permanent existence of the capitalist system. Therefore, both the theory of "mixed economy" and the theory of "merging socialism and capitalism" attempt to cover up the essence of the capitalist mode of production, to confuse the diametrical difference between socialism and capitalism, and to defend capitalism. In the past some comrades allowed these theories to spread without criticizing them. This has naturally caused some negative influence impact.

3. The distinction between scientific socialism (communism) and nonscientific socialism is confused. For several decades we have been engaged in practicing Marxist scientific socialism. Our New China is a socialist country under the guidance of Marxism. We are building, under the guidance of Marxism, a Chinese type of socialism that is suited to our national conditions. All this has been clearly stipulated in our party Constitution and program and in our country's Constitution. However, in the past few years, our ideological and theoretical circles have introduced from abroad some muddled "theories" and viewpoints. It seems to some people that there are diverse forms of "socialism" in the world at present and that all these are genuine socialism. For those who have accepted and spread this viewpoint, all the well-known viewpoints of Marx and Engels, which they listed in "The Communist Manifesto" in order to seriously criticize bourgeois and petit bourgeois "socialism," such as the "true socialism," originating in humanism [ren ben zhu yi 0086 2609 0031 5030], and feudal "socialism," with an old feudal chop on it, should be discarded and are not worth mentioning. Because of their muddled understanding of socialism in this manner, for them the adherence to the four basic principles, namely the adherence to Marxism-Leninism, to Mao Zedong Thought, to proletarian dictatorship, and to the leadership of the Communist Party, may all become empty talk. Some people hold that this is the development of Marxism together with the development of the situation. We think this is not a development of Marxism, but on the contrary, it is a retrogression to the tattered views that Marx refuted more than 100 years ago.

4. Correspondingly, some people rashly think that some of the important principles of Marxism-Leninism have already become "outdated." They have even gone so far as to publicly declare that these principles are not "scientific" and must be "abandoned." For example, in the past few years our country's theoretical circles have carried out a heated discussion on the problems centered on the impoverishment of the proletariat under the capitalist system. This is a necessary and fruitful discussion that facilitates a correct understanding of the Marxist theory on impoverishment. However, what is worth our attention is that recently some people have declared, in discussing this problem, that the general law of capitalist accumulation expounded in "Das Kapital" was summed up from the practical situation in the earlier period of capitalism and, therefore, is not necessarily applicable in the current stage of capitalism. We think that this view does not conform to historical facts. The general law of capitalist accumulation that Marx disclosed to us is still applicable to the capitalism of our times. Since World War II, the bourgeoisie in Western developed capitalist countries has relied more on technical progress in raising labor productivity and increasing the rate of surplus value. Though they have simultaneously adopted raising wages and benefits, and have thus made possible on improvement in the livelihood of the working class, the degree of exploitation suffered by the working class has increased, the rate of surplus value has risen, and the working class gets an increasingly smaller share of the wealth in the rapid growth of wealth. As the degree of mechanization and automation of production rises, particularly as microcomputers and robots are gradually used, the organic composition of capital will rise quickly, the percentage of variable capital will drop considerably, and the pressure of machines replacing animate labor will continue to be aggravated.

Because of this, and because of the frequent occurrence of economic crises, the unemployment problem will be increasingly aggravated for the workers there. In contemporary Western developed capitalist countries, one can indeed, seldom see the utter destitution of the initial period of the development of capitalism, but there are still a large number of laboring people whose livelihood is below the poverty line. The accumulation of capital coexists with the accumulation of poverty, suffering, and backwardness, and they are growing proportionally. This is a real and objective fact in various Western countries today. This hard facts shows that in our times the general law of accumulation in capitalism continues to play its role. Therefore, it is obviously inappropriate to negate the applicability of the general law of capitalist system itself. As long as the capitalist wage labor system exists, the general law of capitalist accumulation will always apply. Just as Comrade Deng Xiaoping said: "Capitalism can never be divorced from the windfall profits of the millionaires, from exploitation and plunder, or from economic crises. It can never form common ideals or morality or prevent various kinds of extremely serious crimes, degeneration, and desperation." (Footnote 4) ("Selected Works of Deng Xiaoping," pp 153, 154)

As another example, Lenin expounded on and proved that imperialism was a dying and rotten capitalism, and Stalin expounded on and proved that in our times, capitalism was in a period of "overall crisis." These are well-known theses on the historical position and fundamental trend of imperialism, two theses that the great Marxists Lenin and Stalin arrived at on the basis of summing up the overall history of, and a large amount of actual material concerning the development of, capitalism. After World War II there was a period of relative stability and rapid growth and the revolution was at a low tide. This kind of development, with twists and turns, was foreseen by Lenin long ago. Such twists and turns may emerge in the future, but they will never change the historical position of imperialism and the trend of its desperate struggle and inevitable final doom. The existence and growth of the large number of socialist countries is itself clear evidence for the inevitable trend of socialism replacing capitalism. The collapse of the old colonial system after World War II and the rise of the Third World is also convincing evidence of the trend to the decline of the rule of imperialism. However, in our country's theoretical circles there have been some people who have openly published articles that uphold that the important theses of Lenin and Stalin on the historical position and fundamental trend of imperialism are "nonscientific" and have even suggested the "abandonment" of these theses. Can this be regarded as a scientific attitude of seeking truth from facts?

5. In our external contacts and academic exchanges, there has been a trend of blindly worshipping things foreign and weakly accommodating foreigners. In the past few years, in the field of research into world economy and politics, there have been many exchange visits between our delegations and scholars and foreign delegations and scholars, and many international academic symposiums and lectures have been held. These activities are of great significance in promoting our country's research into world economy and politics and in developing the friendship and mutual understanding between Chinese and foreign scholars. We have scored great achievements through these activities. However, what is worth our attention is that some of our comrades have bowed and scraped before Western scholars and have often listened silently to, agreed with without giving serious thought to, or even praised some of their erroneous or even reactionary views. Some bourgeois economists from Western countries have described, in their lectures given in China, capitalist private ownership and the capitalist market mechanism as being perfect and ideal to the last degree and socialist public ownership and the planned economic system as devoid of anything good. Some of our comrades have failed to clarify these views in a necessary and appropriate manner out of consideration for preserving "friendship." This will not only lead astray the work of research into world economy and politics, but will also harm our national dignity and the lofty image of our socialist state. This will obviously be inappropriate.

Though the above phenomena in our activities related to world economy and politics have been small in number and some have been very small in number, we should never underestimate the harm they have done among our vast number of people, particularly to the thoughts and behavior of our youths. I suggest that our comrades who are engaged in research, teaching, and practical work on the world economic and political front should carry out discussion on the above phenomena and other relevant problems, unify their understanding, maintain a high degree of political unity with the CPC Central Committee, conscientiously implement the double-hundred principle in our academic field, and thus make greater contributions to the development of our country's socialist spiritual civilization.

SOCIALIST HUMANISM, COMMUNIST MORALITY ANALYZED

HK240536 Beijing GUANGMING RIBAO in Chinese 9 Apr 84 p 3

[Article by Liu Chunjiang and Yuan Xunzhong: "Several Questions Concerning Socialist Humanism"]

[Text] The article "On Humanism and Alienation," written by Comrade Hu Qiaomu, expounded on socialist humanism [she hui zhu yi ren dao zhu yi 4357 2585 0031 5030 0086 6670 0031 5030] and its basic contents, and on the relationship between socialist humanism and communist morality, and pointed out the necessity of disseminating and implementing socialist humanism by thoroughly analyzing the history of humanism [ren dao zhu yi 0086 6670 0031 5030]. At the present stage, to conscientiously study the ideology of this article is, theoretically and practically speaking, very important for us in correctly understanding the morality of the life of socialist society in China and in strengthening the building of spiritual civilization.

Socialist Humanism Is a Level of All Morality at the Present Stage in China

According to dialectical materialism, objective things represent a complete and multi-level whole, and each level exists as an integral part of the whole. Therefore, when we are studying a particular object we must understand it from the standpoint of the whole and distinguish this particular level from other levels that are closely linked with it. "Without separating what is linked together, without simplifying living things, without making them worse, and without splitting them and making them rigid, we will not be able to imagine, show, measure, and depict movement." ("Collected Works of Lenin," Vol 38, p 285) If we study all morality in China at the present stage by resorting to this thinking, what levels should this whole possess?

First, as the highest morality of mankind, communist morality is the highest level of the moral whole in the life of socialist society. The contents of communist morality basically include: serving the people wholeheartedly; being first to charge ahead and last to withdraw and first to suffer hardship and the last to enjoy happiness; in dealing with matters, giving first consideration to others and to the people and sacrificing the interest of individuals and the minority in the interest of the country and the majority. Second, socialist humanism is the secondary level of the whole and the contents of this humanism should include a socialist country and socialist society that respect and are concerned with the rights, interests, and dignity of the majority of the people and with forming relations of unity, mutual help, and friendship among laborers. There are also other levels of morality in the life of socialist society, such as social morality and the rules of public life. Of these aspects, the rules of public life can be regarded as the lowest layer of this whole. These rules have been known to people for thousands of years and they are in fact the basic morality that has been constantly and repeatedly referred to in all social life, such as paying attention to hygiene.

Social morality is a level of morality between socialist humanism and the rules of public life and is manifested in such aspects as respecting the old and taking care of the young and supporting parents.

We must understand that socialist humanism represents lower moral requirements. Although, within the whole of morality in the life of socialist society, socialist humanism has a different position and role from that of communist morality, substantially they are the same. This agreement is basically shown in the following aspects: First, as moral principles and standards, they are both ideologically based on the Marxist world outlook and the Marxist conception of history; second, they represent the practice of communism in the manner of serving the economic foundation of socialism and serving the socialist system that has been built for the formation of communism; and third, they are based on collectivism and they hold that individuals cannot depart from the collective, that individual interests must be organically integrated with collective interests.

The difference between communist morality and socialist humanism and other lower levels is not imaginary, nor it is an arbitrary inference. Historical materialism holds that morality is a reflection of and in the service of the economic foundation. Different economic relations determine and require different contents and forms of morality. Marx said: "Any social form of property has its own 'morality.'" ("Selected Works of Marx and Engels," Vol 2, p 431)

This situation holds true for different social systems and different economic forms within a social system. Taken as a whole, the productive forces in China are still low today and are uneven. Therefore, it has become imperative for various economic forms to exist simultaneously for quite a long period to come. That is, in China there exists the state economy with ownership by the whole people that is in a dominant position in the whole national economy; the cooperative economy with collective ownership, which is the main economic form in rural areas, and the collective economy of various trades in cities and towns; and the individual economy, which supplements the economy with ownership by the whole people and the collective economy. Such multilevel economic forms determine that within the range of socialist laborers there should exist multilevel socialist moral relations. Of course, this situation does not mean simply subordinating a particular ideology to particular economic relations, nor does it mean denying the existence of certain things common to different moralities in social life.

Socialist Humanism and Communist Morality Penetrate and Promote Each Other

Comrade Hu Qiaomu said: "Communist morality can in no way depart from other levels or from requirements of the morality of other aspects; on the contrary, it must be closely linked with these requirements. Under many circumstances, communist morality must, through these requirements, be able to imbue these requirements with still higher significance." These words represent an explicit summary of the mutual relations and mutual links between communist morality, which is the highest level, and socialist humanism, which is the secondary level.

Why is it necessary under many circumstances for communist morality to demonstrate itself through socialist humanism? This situation can be explained from the standpoint of the difference and relationship between these two aspects and the actual level of morality in China today. As gravediggers of capitalist society, the proletariat shoulder the historical task of leading the people to "eliminate the existing situation" step by step once they have formed their own political party. Under this condition, there has emerged the demand to integrate the communist movement with communist morality. But as the best social system, communism can only be perfectly realized in the future.

It is true that we have formed a socialist society and entered the preliminary stage of communism, but the socialist modernization program we are carrying out now is merely the beginning of the project of building communist society. Therefore, in the process of carrying out this construction, most of the morality in the relations among men and between men and society is socialist humanism and other levels. Under the situation in which consciousness in implementing communist morality is still not high and is uneven among productive forces and members of society, it is only natural that communist morality cannot be widely realized. Consequently, communist morality can only be shown through socialist humanism that can be commonly observed by the majority of social members. But the morality in the life of socialist society has taken communist morality as its core and guide. Therefore, the implementation of lower levels of morality represents a premise and condition in raising people's morality to a higher level.

In addition, as communist morality is on a higher level than socialist humanism, broadly speaking, the latter is already and totally included in the former. That is to say, socialist humanism is an integral part of the system of communist morality. The people who are able to practice a higher level of morality are no doubt in a position to practice a lower level of morality. This situation is just like climbing a ladder. The people who have climbed to the fourth step have doubtless climbed the third step. But seen in a narrower sense, socialist humanism has its own particular requirements; therefore, it can only be included in, and not replaced by, communist morality. Socialist humanism represents the requirements for the broad masses of people. Therefore the contents of socialist humanism are combined with people's occupational lives and this humanism has a relatively independent moral significance.

The forms of socialist humanism are more specific, with more forms and wider adaptability than communist morality. Therefore socialist humanism is more easily accepted and practiced by the majority of the people. Practice proves that the process of the practice of socialist humanism has been penetrated by education in communist morality so as to raise the level of occupational deeds of people working in various sectors and to efficiently raise their morality. Therefore it has been a traditional practice of the CPC to educate cadres and the broad masses of people in the way to combine socialist humanism (or revolutionary humanism) with communist morality. For example, we have educated army men to practice such military morality as abiding by "The Three Main Rules of Discipline and the Eight Points for Attention" in our aim of raising their communist morality. On this basis we let army men combine their work with the whole communist cause so that they will be able to constantly raise their morality. The people who are not concerned with, who do not respect, and who are not willing to help others can in no way serve the interest of the majority wholeheartedly, nor can they devote and sacrifice themselves to the cause of communism. We are familiar with such fine communist fighters as Zhang Haside, Norman Bethune, and Lei Feng. They had specific features of utter devotion to others without any thought of self, a boundless sense of responsibility in their work, and boundless warmheartedness toward all comrades and the people, representing lofty communist aspirations. Seen from the standpoint of moral principle toward the people, these features represent revolutionary and socialist humanism.

Socialist Humanism Is Not Spontaneously Formed

The emergence of socialism has realized the means of production with public ownership and eliminated the system of capitalist exploitation. The new economic foundation has created the most favorable conditions for practicing the moral principles of socialist humanism. But Comrade Hu Qiaomu has also pointed out: "Socialist humanism has been formed gradually under communist ideological education, with advanced elements displaying their exemplary deeds." These words are based on the following reasons:

First, the exploiting class no longer exists as a class in China.

But class struggle still exists within certain spheres, remnants of the old society still exist, the various forms of the ideology of the exploiting class still have their influence, and our open-door policy has unavoidably been accompanied by the corruption of bourgeois ideology. Therefore if, under these conditions, we do not carry out communist ideological education among laborers, some members of society will consequently encourage individualism, departmentalism, and egalitarianism, coupled with selfishness, conservatism, indolence, and narrow-mindedness. In this situation socialist humanism is nothing but empty words. As another example, commercial and service traders serve a great many customers every day with many items and scattered services. If these trades do not resort to the guidance of communist ideology to form the socialist commercial moral principles of being ardent, patient, and considerate toward customers, and do not train fine salespeople and attendants under the guidance of communist morality, the practices of making money, such as harming others to benefit oneself, deceiving, profiteering, and seeking nothing but profit will become rampant. In this situation there will be no room for socialist humanism.

Second, as moral principles toward people in life in socialist society, socialist humanism is based on Marxist historical materialism and it is contradictory to bourgeois humanism. Therefore, if we really want to practice socialist humanism and to conscientiously accept its moral principles, we must first of all understand the revolutionary cause of the proletariat, the relationship between socialist humanism and communist morality, and the relationship between socialist humanism and the whole socialist spiritual civilization, and draw a distinction between socialist humanism and bourgeois humanism. But before we are able to do so, we must conscientiously study Marxism and acquire communist ideology. It is necessary to point out here that following the development of socialist economic, political, and cultural construction, the level of people's morality will also develop. Therefore, all laborers must not be satisfied with just practicing socialist humanism. They must strive to join the ranks of advanced units, constantly raise their consciousness, and turn themselves from practitioners of socialist humanism to practitioners of communist morality, so as to raise their morality from a lower level to the highest level. Over the past few years we have witnessed the achievements of the education in communist ideology and the growth of the spirit of heroes like Lei Feng through such moving deeds as the doggedness, bravery, the spirit of self-sacrifice of Zhang Hua, and the self-devotion to the interests of others shown by students of the fourth army medical college. The heroic deeds displayed by students of this medical college are neither accidental nor spontaneous. Such deeds have been made possible because the CPC organizations and teachers in this college have carried out meticulous study and investigations, grasped in an overall way the ideological features of young people, resorted to the method of combining verbal teaching (coaching in class and talking outside class) with nonverbal teaching (setting an example and grasping typical examples), and persisted for a long period in educating students in communist ideology to promote ideological change in the students. It is only natural that the students have been able to display socialist humanism and communist morality.

RENMIN RIBAO ON BREAKING DOWN BARRIERS

HK250236 Beijing RENMIN RIBAO in Chinese 13 Apr 84 p 5

[Article by Xu Jingan: "Measures Needed To Break Down the Barriers Between Departments and Regions at Different Levels and To Avoid Duplicate Construction"]

[Text] In order to shift the focus of our economic construction to the improvement of economic results, it is important for us to solve the problems of creating barriers between departments and regions, forming one's own independent system, and carrying out duplicate construction and blind production.

This means that we must change our guiding ideology in economic work, make a corresponding shift in the focus of our economic work, and restructure the economy. To do this we must adopt a series of measures, the principal ones being:

First, we must give full scope to the role of all trades. Trades are formed in the wake of the development of division of labor and higher specialization in society. There are different trades because the objectives and means of production are different. Within the same trade, the technology, technique, and social demand for production of the same kinds of product are the same. Thus, every trade should strengthen market forecasting for its principal products, plan the distribution of its productive capacity, popularize new techniques and new technologies, and work out relevant economic and technological policies, technical norms, and so on. Under the present economic system, however, enterprises of the same trade may come under the administration of different departments or regions. Unified trades do not in fact exist. The relevant leading departments focus their work on the enterprises directly under their administration. They do not and cannot exercise control over enterprises of other departments and in other localities. Thus, we have been unable to give full scope to the role of all trades. Within the same trade, different practices are adopted in different departments and localities. As a result, duplicate construction and blind production go on year after year and are hard to avoid.

In order to give full scope to the role of all trades, what we must do now is to grasp the work of drawing up programs for different trades as an important task. Premier Zhao Ziyang pointed out in 1981: A really good job needs to be done in drawing up programs for different trades. As for products that have an important bearing on the national economy and items in duplicate production, programs for reorganization should be drawn up by the relevant central leading departments according to the principle of making rational arrangements with the whole situation in mind. In his report to the Fifth Session of the Fifth NPC in November 1982, he again solemnly suggested: "From now on relevant departments shall promptly cooperate with their local counterparts to form competent leading groups to draw up programs for different trades and plans for readjusting enterprises based on products and division of labor." But up until now we have not achieved proper progress in the work of drawing up programs for different trades. At present the work of carrying out readjustment, reorganization, and technical transformation in enterprises, together with regional economic development, are all affected due to the lack of planning for different trades. Over the years the specialized leading departments used to concentrate their energy on the administration of enterprises and on launching new projects and allocating investment and resources. The work of drawing up programs for their respective trades has not been given due attention. With the "Sixth 5-Year Plan" being implemented for more than 3 years, the work of drawing up programs for different trades has become very pressing. In order to give full scope to the role of different trades, what we must do now is to organize competent planning groups at different levels. In particular, inter-departmental trade groups should be set up for those trades that are administered by many departments. The specialized leading departments and bureaus of various provinces, municipalities, and autonomous regions, and of the big and medium cities should also unfold the work of drawing up programs for their respective trades.

The tasks of the planning groups of different trades are: 1) To find out about the situation of the trade. They should forecast the social demand and purchasing power for the principal products of their respective trades during the period covered by the program. At the same time, they should find out about the situation of existing production centers and their productive capacity, stock of goods, and supply of raw materials; 2) to draw up programs for the updating of products in accordance with market needs and the trend of technological development in the production of various products; 3) to define the limits of investment and formulate investment policies.

Based on the characteristics of each trade and the state of production and demand, they should suggest whether a particular trade should be undertaken at the central level or by the local authorities, and decide on policies for encouraging or restricting investment; 4) to propose programs for the readjustment, reorganization, and transformation of existing enterprises. National, interregional, and regional companies or integrated bodies should be set up in light of different conditions; and 5) to formulate norms, policies, and measures. They should decide on technical norms for products and norms for the setting up of plants, and propose price, taxation, and credit policies for their own trades. By developing new lines of products and deciding on additional productive capacity and the reorganization and transformation of existing enterprises according to social demands and market forecasts for different trades, we can truly make production and demand dovetail and achieve a clear orientation and objective for technical transformation and technological advancement.

Second, we must give full scope to the role of key cities. This requires us to handle two aspects well. We should give the cities a free hand to organize those economic activities that are best undertaken within the limits of one city. For example, the production, research, and service facilities of different enterprises and units, such as those for casting, heat treatment, electroplating, machine repairing, molding, metering, computing, and testing, should be organized by the cities in a unified manner for the purpose of achieving specialization and socialization. Independent management and independent accounting will be carried out. On the other hand, we should organize integration and coordination with cities as the bases if the economic activities concerned are best undertaken by more than one city. If a particular trade involves a high degree of specialization and requires mass production, intercity and interregional setups should be formed. In drawing up programs for different trades, we must decide which trades ought to be undertaken within the limits of one city and which trades ought to be organized as trans-city ventures.

In order to give full scope to the role of key cities we should encourage the cities to develop and extend integration and coordination with other cities and regions. The methods of assessing urban planning should be improved. Instead of merely assessing their economic development and results, we should also assess their additional amount of social wealth and benefits gained through integration and coordination with other places. In addition, we should encourage the cities to develop economies with their own distinctive local features. In other words, every city should decide on the direction for development according to local characteristics and develop its own dominant industries. Every key city should have its own distinctive features. Only in this way will the economy of our country flourish in a diversified way.

Third, we must give full scope to the role of economic zones. Large economic zones should be formed with the country's big cities as centers. In terms of the strategy for national economic development, we may perhaps first consider dividing the country into three major zones, namely, the coastal zone, the hinterland zone, and the remote border zone. The coastal zone has Guangzhou, Shanghai, Tianjin, and Shenyang as its centers. This zone has a solid economic base as well as high technical and managerial levels. It is the cream of the Chinese economy. The coastal zone should be developed into special processing areas specializing in the import of raw materials and producing goods chiefly for export. With the availability of raw materials and markets, the economies of the hinterland and the remote border zone will have room for development. At the same time, the coastal zone should become the base for the import, assimilation, application, and popularization of advanced technology and management. Through integration and coordination, advanced technology and management can be transplanted to the hinterland and the remote border zone. These coastal areas should achieve the best economic results, hand over the largest amount of accumulation to the state, and beat others in catching up with and surpassing advanced world levels. Investment in this zone should chiefly go to the improvement of the infrastructure, such as communications and pier and port construction.

Special attention should be paid to the transformation of existing enterprises. Except for a few processing industry projects whose backup services are necessary for the existing enterprises, ordinary processing industry projects should be diverted to the hinterland and the remote border zones. It is of decisive significance to pushing forward the development of the whole national economy if we can improve the economy in the coastal zone through construction in the "Sixth 5-Year Plan" and "Seventh 5-Year Plan" period. The hinterland has Zhengzhou, Wuhan, Lanzhou, and Chongqing as its centers. This zone has well-founded basic industries, but economic results are poor because of unreasonable structures and low technical and managerial levels. The state must help this zone develop light and textile industries as key industries so that it can serve as the consumer goods supply base of the hinterland as well as the remote border region. To this end it is necessary to shift the production of ordinary consumer goods from the coastal zone to the hinterland and, through developing integration and coordination with the coastal zone in a planned way, improve the levels of management and technology as quickly as possible. The remote border zone has Kunming, Lhasa, and Urumqi as centers. This zone is rich in energy and mineral resources as well as raw materials, but these resources have not been exploited and utilized because the basic and processing industries here are backward. It is an important issue of strategic significance in the development of the national economy to develop the economy of this zone and to gradually narrow the gap between this zone on the one hand and the hinterland and the coastal zone on the other.

With limited funds from the state we can only concentrate on the exploitation of energy resources. Chiefly speaking, large-scale exploitation of natural resources and development of the processing industries in this zone will have to be left for some time. At present we should pay attention to making preparations, laying the foundation, and carrying out prospecting, designing, and planning for future development. As their objective economic levels are different, these three zones will present themselves as three stages in the development of the national economy. If we do not recognize this difference and rush into action headlong, the different zones will pin each other down and offset each other's efforts. Haste makes waste. We must recognize this difference and gradually transfer funds and technology from east to west so that development in one zone can promote development in another. This is the correct path for the development of the economy in our country.

Different economic regions in various zones should also carry out proper division of labor and show distinctive features. Proceeding from the interests of the whole, we should decide on the direction for development and key strategic tasks for different economic regions, and then, in conjunction with the work of drawing up programs for different trades, formulate plans for these economic regions. Important projects of capital construction should be undertaken in a unified manner according to regional economic planning. In order to avoid the creation of barriers between departments and regions at different levels and to eliminate duplicate construction, allocations will not be handed out to individual departments and regions. At present, the State Council has already set up planning offices for the Shanghai economic region and the Shanxi and northeast China energy bases. Work for drawing up programs for the development of these regions has already begun. Through this we shall be able to greatly improve the standard of our work of drawing up programs. We will no longer confine ourselves to achieving a balance between the major economic targets and deciding on the key projects. Instead, we shall be able to provide economic construction with a scientific and reasonable basis and make microeconomic activities conform with the requirements of the economy through planning and layout.

By giving full scope to the roles of different trades and of key cities and organizing and managing the economy according to economic zoning, we may be able to solve the long-standing problems of the Chinese economy, namely, the lack of coordination between departments and localities that have their own independent systems, duplicate construction, and blind construction.

In order to achieve this goal we must also create the necessary conditions in relation to economic systems and the work of planning. On the matter of enterprise management, the infrastructure, such as railroads, civil aviation, and posts and telecommunications, and the large key enterprises, are directly managed by the state. All other enterprises should be run independently, assume sole responsibility for their own loss and gain, and develop production and business activities with the initiative in their own hands after paying taxes according to regulations. In this way we will be able to break down the barriers between departments and regions at different levels and develop integration and coordination according to the principle of economic rationality. Otherwise new barriers will be created as old ones are broken down. On the matter of planning and arrangement, we must allow for unforeseen circumstances. If arrangements are too closely scheduled, shortages of materials will give rise to tension in economic life as a whole. This is bound to enlarge the scope directly controlled by plans and strengthen the administration system as well as the power of administrative divisions. In this event we will have difficulty giving full scope to the role of different trades, the role of key cities, and the role of economic zones, and are bound to slip back onto the old path of creating barriers between departments and regions at different levels.

SATELLITE LAUNCH SHOWS VITALITY OF SOCIALISM

HK260731 Beijing GUANGMING RIBAO in Chinese 19 Apr 84 p 1

[Editorial: "Warm Congratulations, Important Revelation"]

[Text] The successful preparation, launch, and positioning of the experimental communications satellite has trumpeted a song of aspiration for the Chinese people, signaling a new big leap forward in the space technology of our country. Here we extend our warm congratulations and highest regards to the scientific workers, engineers and technicians, workers, cadres, and PLA commanders and fighters fighting in the space field!

Prior to China, there have been only a few industrially and scientifically developed countries capable of independently launching such satellites. How is it possible for a country like ours, which is generally relatively backward in its level of science and technology, to have achieved such development by leaps and bounds in the new, rising space technology of our times?

The decisive factor is our socialist system. It is precisely under the correct leadership of the CPC Central Committee since the 3d Plenary Session of the 11th CPC Central Committee that our socialist system has once again restored its vigorous vitality, given play to its innate superiority, and enabled us to concentrate to a maximum degree the most excellent talented people and financial and material power in the joint effort to tackle key problems, producing some superiority in certain key new technology, thus gaining time and speed. It is also because there are in our country a large number of scientists, engineers, and technicians who are rich in the spirit of devotion and strong in the ability of blazing new paths, and workers in modern management science who are good at linking theory with practice. For the sake of the interests of the people, they are daring to take risks and to make breakthroughs in forbidden areas. They have made great contributions to the successful launch of the experimental communications satellite. All this has once again proven the convincing correctness of the party's policies on intellectuals.

The successful preparation and launch of the experimental communications satellite has also demonstrated that, facing the challenge of the new world technological revolution, we must proceed from the situation of China and be good at studying and referring to all useful foreign experience, while taking our own road.

We should not blindly catch up with and surpass advanced foreign countries, nor should we adopt a closed-door policy, nor indiscriminately imitate others, while we should aim at the correct target, adopt the most up-to-date results, and strive in a truth-seeking manner to leap over some usual, traditional developmental stages in some newly rising technologies so as to catch up with advanced countries.

True, modernized technology is important to the development of newly rising technologies and industries. However, modernized management is just as important. To us, the latter seems all the more important. The preparation and launch of the experimental communications satellite was a complex project of modern science and technology, and it would have been incapable of quick success without the modernized management of a systematic project as the main. It will be of great assistance to seriously study, sum up, and spread the successful experiences in the preparation and launch of the experimental communications satellite, not only to the development of newly rising technologies in our country, but also to the four modernizations.

JIEFANGJUN BAO CITED ON YOUTHS' RESPONSIBILITY

OW250639 Beijing Domestic Service in Mandarin 0200 GMT 24 Apr 84

[Text] JIEFANGJUN BAO, in its 24 April edition, gave frontpage prominence to a newsletter entitled "Finish the One-Hundred Meter Dash the Era Assigns Us Without Fail." It is a report on the deeds of (Ding Hongjun), a fighter and path-setter in learning from Lei Feng, of the first company of a certain unit under the Shenyang Military Region. The paper also published a commentator's article under the title "A Strong Sense of Responsibility for the Era."

The article says: The advanced deeds of (Ding Hongjun) are very impressive. He has a reputation as a son of the people and a contemporary Lei Feng. He has become another good example to the youth of this era. This is because there is a clear, principal ideological line guiding his actions; namely, a strong sense of responsibility to the era. How well said are (Ding Hongjun's) words, when he promised himself: I must finish the one-hundred meter dash the era has assigned me without fail!

The article says: We communists and revolutionary fighters regard the realization of communism as our bounden duty. This is a great goal, which can be attained only after endeavors and struggles by many generations of people through the long course of history. Our predecessors already did a very good job in finishing the run assigned them. Posterity will continue to persevere in the run. We of the current generation have a heavy responsibility on our shoulders to carry forward the revolutionary cause pioneered by our predecessors, and forge ahead into the future. What we are striving to do today is to build a modern socialist country with a high degree of civilization and democracy. This is the mission given us at the present stage in the cause of communism. This is the one-hundred meter dash we are expected to finish.

The article says: (Ding Hongjun) is worthy of emulation, because it is always on his mind that he should do all he can to share the load of the state, which is his due, and help the masses of the people solve their problems, because it is always on his mind that he should do his part in restoring the brilliant image of the People's Army, which was once seriously smudged by Lin Biao and the gang of four, in realizing the revolutionization, modernization, and regularization of the Army, and because it is always on his mind that he should use actual deeds to prove that not all men are selfish, and in his fervent heart to attract others of the same generation to march forward, shoulder to shoulder, and fulfill each one's obligation to change the social mores poisoned during the chaotic decade.

He understands that one true action is better than a thousand empty promises, thereby building his splendid wishes on the basis of practical efforts. Never balking at the prospect of being misunderstood, isolated, or even ridiculed, he unremittingly persists in doing good deeds for the people, and shows a true sincerity to become a son of the people. Regardless of the many changes in his job assignments, he has always done his work earnestly and practically, and strived to attain top performance with full mental concentration in whatever he is doing. He tries to find every minute he can to assiduously gain scientific and cultural knowledge, in order to serve the people better. He shows political concern for others and helps them meet life's daily needs. He finds pleasure in having something to offer to others, and regards it as his greatest satisfaction when he can actually make a contribution to the people. This is he, a man who is shouldering the responsibility this era gives him with the spirit of a man of action.

In conclusion, the JIEFANGJUN BAO commentator's article says: The fulfillment of a great historical mission calls for the efforts of hundreds of thousands of people. It will not do to depend only on a few hundred or a few thousand models to do the job. We must bring up hundreds of thousands of people who have a strong sense of responsibility for the era. Every single comrade has the obligation to courageously finish the one-hundred meter dash that the era assigns him.

CONSUMERS ENCOURAGED TO COMMENT ON PRODUCTS

HK250348 Beijing RENMIN RIBAO in Chinese 20 Apr 84 p 2

[Commentator's article: "Consumers Have the Greatest Say"]

[Text] Consumers have the greatest say on the quality of products. Consumers are people who directly use products. Being familiar with the problems they come across in using products, they can make realistic comments on products. Carefully listening to the opinions of consumers and accepting their supervision are important to improving the quality of products. Entrusted by the State Economic Commission and the Ministry of Machine Building Industry from early March, ZHONGGUO JIXIE BAO [CHINA MACHINE BUILDING GAZETTE] began to carry consumers' comments on the quality of machinery and electrical products made in China and excellent results have been achieved.

Over the past few years there has been improvement in the quality of machinery and electrical products and in providing technical service for these products after they are sold. These products have gained credit in the domestic and international markets. But on the whole, the quality of machinery and electrical products is still low, technical service after sales lags behind, and products at the levels of the 1970's and the 1980's account for only 10 percent of the total, with most products still at the levels of the 1950's and the 1960's. This does not conform to the four modernizations drive. Only when we are determined to pursue can we catch up. Letting consumers make comments on the quality of products means letting the masses exercise supervision over enterprises, which will solve the problems of quality in the soonest possible manner.

Many enterprises are in favor of letting consumers make comments on products. But some enterprises are afraid of consumers' comments appearing in newspapers. Others are not willing to even listen to consumers' comments, still less are they willing to let their comments be carried in newspapers. This shows that the opinions of the masses are powerful. Consumers' comments on the quality of products are a kind of pressure as well as a motivating force for enterprises. Quality defects are not so terrifying, for so long as we mend these defects, products will gain consumers' credit again. What is terrifying is turning a deaf ear to consumers' opinions instead of striving to make progress. Persistence in this will lead us to a blind alley.

Some consumers are afraid of making comments on the quality of products, worrying that the production units concerned will stop supplying commodities for them. There are really some sales units that exert pressure on consumers. This is impermissible. Consumers should have the spirit of being responsible to the state and the people, break away from pressure, take an active part in making comments on products, and put forward constructive suggestions and criticism.

The Ministry of Machine Building Industry has gone ahead of other departments in encouraging consumers to make open comments in newspapers on the quality of products. Other departments and trades should do the same so as to help enterprises take immediate action in improving the quality of products and to raise economic results.

RENMIN RIBAO ON DEVELOPMENT OF FOOD INDUSTRY

HK250818 Beijing RENMIN RIBAO in Chinese 22 Apr 84 p 2

[Editorial: "Food Production Should Satisfy Needs in Every Aspect"]

[Text] After more than 30 years of construction, our food industry has begun to take shape. The food industry, which ranks third among various industrial departments, takes second place only to the machine building industry and the textile industry. However, the present development of the food industry still cannot keep pace with the daily increasing needs of urban and rural people. The equipment of the food industry is obsolete, technology and crafts are backward, profits are low, and some enterprises are even losing money. Practical and effective measures should be adopted to quickly change this condition.

Food is the primary material basis of human existence. In our country food accounts for about one-half of the total amount of consumer goods in society. The people not only want enough to eat, but they also want economical fast food that meets the requirements of nutritional science and hygiene. Food production should satisfy every need. In the future we must on the one hand continue to develop popular low priced food, and on the other hand, produce high quality food. As a result of the increase in people's income, the improvement of the standard of living, and the requirement of foreign tourists, demands for high quality food have steadily increased. The market potential for popular low priced food is very large. Besides the development of traditional food products, we must pay attention to developing new products, make a success of fast food, food for elderly people, and food for children, and strive to increase variety and improve quality. We must produce more food for the market that is inexpensive, nutritious, convenient, and substantial.

The food industry consists of scores of trades, which have for a long time been scattered among such departments as light industry, commerce, grain, foreign trade, agriculture, land reclamation, and aquatic products. To satisfy the diverse needs of the masses we must arouse the enthusiasm of every sector, so that everyone will take part in the food industry. A pressing matter at the moment is to amplify and give play to the role of trade organizations, strengthen enterprise management, make a success of overall planning and coordination, improve the existing production capacity, solve the contradictions between various departments, support each other, learn from as well as make up for each other's deficiencies, and make joint efforts in blazing a trail with Chinese characteristics for the food industry.

The development of the food industry must be geared to the vast countryside. As a result of the implementation of the party's rural economic policy as well as the development of commodity production, there is bound to be greater development in the rural food industry.

We should adroitly guide action according to circumstances, and actively support the development of the rural food industry. The development of rural food processing can make full use of local resources, increase the income of the peasants, enrich the food market, and also dispose of surplus labor in the countryside. The development of the rural food industry will also contribute to the development of small cities and towns, contribute to the joint operation of agriculture, industry, and commerce, and promote rural economic prosperity. Small cities and towns below the county level should set up small food factories as well as shops with factories at the back. These require fewer fixed assets and have a quicker turnover, stronger adaptability, and greater flexibility. Apart from products sold exclusively by the state, as long as these factories have raw materials and markets, we should allow their development. Under the guidance of the state plan we should strengthen control, improve quality step by step, expand the market supply, and change the food habits of urban and rural people. Departments concerned should actively supply them with market information, technology, equipment, wrapping materials, and ingredients, and help them solve such problems as transportation and storage. In particular, we must help the rural areas train technicians and management personnel.

Paying special attention to technical progress and scientific management, adopting new technology and crafts, and transforming old equipment and technological process -- these are the keys to the development of the food industry. Technical equipment must be supplied from within the country, and such industrial departments as machine building, electronics, and chemical engineering should make more contributions to the development of the food industry. We must attach great importance to food research, and organize the factories and enterprises to jointly carry out scientific research. Light industry, commerce, and the food research units of other departments must coordinate and give play to the role of scientific and technical forces in such fields as food research units and institutions of higher learning. We must organize some scientific and technical personnel as well as specialists and master craftsmen with technical ability to express their views, offer advice, and make suggestions. As long as the forces in various fields are organized, we will certainly be able to speed up the development of the food industry in our country.

EDUCATION MINISTER ON HIGHER EDUCATION REFORM

OW251259 Beijing XINHUA Domestic Service in Chinese 1220 GMT 23 Apr 84

[By reporters Zhu Shuxin and Zhang Baorui]

[Text] Beijing, 23 Apr (XINHUA) -- The Educational Work Department of the Beijing Municipal Party Committee held a forum in Beijing from 16 to 20 April on the reform of institutes of higher learning. Responsible people from 67 institutes of higher learning attended.

At the forum, Zhang Peng, vice mayor of Beijing, and Wang Xian, member of the Standing Committee of the Beijing Municipal Party Committee, made reports on the reforms and developments in agricultural, industrial, and other fields in Beijing. They also stated that various fronts had urged demands for knowledge and qualified personnel, and cherished hopes for higher education.

He Dongchang, minister of education, attended and addressed the forum. He said: Comrade Deng Xiaoping pointed out that it is necessary for education to be geared to the needs of modernization work, of the world, and of the future. These three needs have imposed a demand for a higher quality of qualified personnel. In order to meet these three needs it is necessary to reform higher education.

The comrades attending the forum had an extensive and profound discussion of the reform concerning institutes of higher learning.

All participants unanimously maintained that to carry out well the reform of higher education, it is necessary to conduct an investigation of the society, of the actual needs, and of the personnel trained in the past. Only in this way is it possible to work out feasible measures for the reform.

All comrades attending the forum pointed out that the reform of the institutes of higher learning should center on the reform of education. It is not only necessary to carry out the reform in a macroscopic but also to carry out concrete reform from within the institutes. It is necessary to develop higher education on various norms at various levels and in various ways. Teaching methods should be improved, teaching materials should be replaced, and, still more important, the training of teachers' contingents and the party's leadership should be strengthened.

Wang Jialiu, director of the Educational Work Department of the Beijing Municipal Committee, made a report to the forum on the reform plans of the Beijing Municipality, including plans to set up branches of universities of different types in rural areas as well as to collect funds in order to open an educational radio station.

YE, DENG, OTHER LEADERS MOURN XIE FANG'S DEATH

OW250801 Beijing XINHUA Domestic Service in Chinese 1531 GMT 24 Apr 84

[Excerpts] Beijing, 24 Apr (XINHUA) -- Party and state leaders and some 400 people from various circles in Beijing paid their last respects to the remains of Comrade Xie Fang, a member of the Sixth National People's Congress Standing Committee and deputy commandant of the PLA Logistics Academy, at the Babaoshan Cemetery for revolutionaries this afternoon. Comrade Xie Fang died of illness in Beijing on 9 April 1984 at the age of 76.

There were wreaths from Ye Jianying, Deng Xiaoping, Chen Yun, Peng Zhen, Xu Xiangqian, Nie Rongzhen, Wei Guoqing, and Gu Mu and from the NPC Standing Committee, the State Council, and the Central Military Commission.

Yang Shangkun, Yang Dezhi, Yu Qiuli, Qin Jiwei, Ye Fei, Han Xianchu, and other party and state leaders stood in silent tribute before the remains of Comrade Xie Fang and expressed their cordial sympathy with Comrade Xie Fang's relatives.

Those who either presented wreaths or paid last respects also included Wang Ping, Wu Xiuquan, Xiao Ke, Xiao Jingguang, Song Shilun, Huang Kecheng, Zhang Aiping, Hong Xuezhai, Yang Chengwu, Xiao Hua, Lu Zhengcao, Tan Zheng, Li Da, Li Zhimin, and Li Jukui. During Comrade Xie Fang's illness, Comrade Peng Zhen had asked some staff members to visit him at the hospital.

DENG LIQUN ATTENDS TELEPLAY AWARDS CEREMONY

OW251608 Beijing XINHUA in English 1134 GMT 25 Apr 84

[Text] Beijing, April 25 (XINHUA) -- Teleplay workers in China were urged to produce more and better works to greet the 35th anniversary of the founding of the People's Republic which falls on October 1. The call was made by Xie Wenqing, vice minister of radio and television, at a ceremony today awarding 17 teleplays and 14 individuals in acting, directing, designing, camera work, and lighting. Besides gilded plaques carved in relief with a "flying apsaras" and certificates, there were also cash and material awards. The awarded teleplays include "Burning Heart" and "Reporter Behind the Scenes," both dealing with contemporary themes.

The vice minister called for more teleplays on historical themes. Since China had a long history, he said, there were abundant materials for producing such teleplays, which would help educate the people in patriotism and knowledge of history. He expressed regret over the fact that there were no such teleplays among this year's 17 award winners.

Attention should also be paid to producing teleplays on children and minority nationalities, the vice minister said.

Vice Minister Xie noted that teleplays had been developing in China since 1979 when the country produced its first teleplay. Over 400 teleplays were produced throughout China in the past year. Among the party and government leaders attending the ceremony was Deng Liqun, member of the Secretariat of the Chinese Communist Party Central Committee and head of its Propaganda Department.

[Beijing XINHUA Domestic Service in Chinese at 1508 GMT on 25 April carries a similar report on the awards ceremony, adding that Wang Shoudao, Wu Xiuquan, Liu Lantao, He Jingzhi, Yang Hansheng, Zhou Weizhi, Rong Gaotang, Huang Yukun, Wang Chonglun, and Wang Zhaoguo were also present at the ceremony]

CHEMICAL INDUSTRY SHIFTS EMPHASIS TO CAPACITY

OW250729 Beijing XINHUA Domestic Service in Chinese 1145 GMT 24 Apr 84

[By reporter Wu Jincai]

[Text] Beijing, 24 Apr (XINHUA) -- The Ministry of Chemical Industry recently decided that it is necessary to regard [words indistinct] and newly increased production capacity as the main criteria in assessing the progress of any capital construction project at the end of each year, instead of assessing such progress with the concept that "the more money spent, the greater the achievements will be."

The meeting now being held on the work of developing capital construction projects for the chemical industry shows that to assess the progress of any capital construction project on the basis of the amount of money spent on the project is tantamount to encouraging the construction projects to exceed their budgetary estimates and spend money freely, thus making the state investments in construction out of control. It is understood that the total state investments for the chemical industry during the Sixth 5-Year Plan has been basically depleted as of this year due to excessive extra-budgetary expenses. However, 31 projects in the original plan have not yet begun.

In order to change this situation, the Ministry of Chemical Industry has made the aforementioned reform in assessing the progress of any construction project. In addition, it has also put forward some specific measures. For example, any project with an inaccurate budgetary estimate cannot be rated as outstanding. A certain amount of funds will be duly deducted from the total state investment when the budgetary estimate of any capital construction project is exceeded because of errors made by either the administrative unit of the capital construction project, the designing unit, or the construction unit of the project.

Development To Increase

OW250945 Beijing XINHUA in English 1328 GMT 24 Apr 84

[Text] Beijing, April 24 (XINHUA) -- China has earmarked more than 900 million yuan (about 450 million U.S. dollars) this year to develop its chemical industry.

It is making efforts to accelerate the building of 23 large and medium-sized projects for fertilizer, sodium carbonate, and other products. Another eight chemical industrial projects will begin this year, and preliminary work is under way on 24 large and medium-sized projects for rubber, pesticide, chemical fertilizer, and sodium carbonate.

Lin Yincai, vice minister of chemical industry, told a current meeting on construction of chemical enterprises that a responsibility system would be adopted this year in enterprises engaged in designing, construction, and supply of equipment and materials in order to ensure smooth progress of the key state projects and shorten building periods.

Anyone who shortens the building periods and gives quality service will be cited, promoted, or given a bonus; the reverse will result in fines or penalties, he added. The key problem in capital construction, he said, is how to shorten the construction period and raise the returns on investment. A synthetic ammonia factory with an annual capacity of 300,000 tons will produce an additional output value of 600,000 yuan if it goes into operation one day ahead of scheduled. The ministry has set deadlines and requirements for six key state projects in order to speed up construction and combat waste.

An acrylic ester plant with an annual production capacity of 38,000 tons at the Beijing Dongfang chemical works will go into trial operation this year and put into production next year.

China's first large compound fertilizer plant in Lucheng county in Shanxi Province, China's largest coal producer, is scheduled to go into operation in July 1987. With coal as its raw material, the plant is designed to produce 900,000 tons of nitrophosphate annually with equipment from the Lurgi Corporation in the Federal Republic of Germany and Tokyo Engineering Company in Japan.

A pyrite mine with an annual mining of 3 million tons of ore and a dressing capacity of 1.5 million tons will be put into operation in Yunfu County, Guangdong Province, in 1985. An investment of 620 million yuan has been appropriated for the project.

A phosphate mine with an investment of 345 million yuan is scheduled to go into production in Wangji, Hubei Province, in the first half of 1985. It is designed to mine and dress 1.5 million tons of ore a year for the compound fertilizer plant in Shanxi.

Construction will begin this year on a large sodium carbonate plant in Lianyungang City in coastal Jiangsu Province, with an annual production capacity of 600,000 tons. The plant is scheduled to go into trial operation in the first quarter of 1988.

BRIEFS

NEW TIANJIN SHIPPING ROUTE -- Tianjin, April 24 (XINHUA) -- A 4,000-ton cargo ship left here today carrying motor vehicles, tape recorders, and televisions, the first vessel to sail on a new route between the north China port city of Tianjin and Guangzhou, capital of Guangdong Province. The route was the sixth opened by the Tianjin ocean shipping fleet since its founding last August. The fleet includes four cargo vessels displacing from 1,000 to 7,000 tons manned by 170 crewmen. More ships and personnel are to be added later. The fleet earlier opened five routes from Tianjin to Langkou, Yantai, and Qingdao in Shandong Province, Dalian in Liaoning, and Qinhuangdao in Hebei Province. More than 50,000 tons of cargo has been shipped by the fleet so far. [Text] [Beijing XINHUA in English 1453 GMT 24 Apr 84 OW]

ANHUI ISSUES REGULATION ON SPECIALIZED HOUSEHOLDS

OW250747 Hefei Anhui Provincial Service in Mandarin 1100 GMT 22 Apr 84

[Excerpts] On 19 April the Anhui Provincial People's Government issued a regulation on protecting and supporting specialized households for the development of commodity production. The regulation has fully reaffirmed that specialized households are vigorously developing commodity production and propagating advanced production techniques; they are the representatives of the rural advanced productive forces and pacesetters in working hard to become rich. The 10-point regulation follows:

1. A specialized household is a peasant household in which the main labor force is working on or managing a type of specialized commodity production with the rate of commodity reaching 50 percent or more and with its income from commodity production accounting for 50 percent or more of the total household income.
2. All specialized households, either on a contractual or self-managing basis, are of a socialist nature.
3. Peasants of a specialized household are permitted to carry out production or management in any production field in the countryside except those fields in which the state has specific regulations. They are encouraged to carry out production of an exploratory nature, such as the reclamation of barren mountains and wasteland, by signing work contracts on an individual household basis or multiple household basis.
4. Specialized households are permitted to purchase motor vehicles and boats, tractors, or other means of production for conducting production, transportation, and commodity delivery businesses. Specialized households are encouraged to build warehouses, cold storage houses, roads, bridges, piers, stations, and other basic facilities on individual basis or with joint efforts. Those who build and manage these facilities will benefit from them.
5. No special tax or taxes will be levied on specialized households. Specialized households pay no tax for their hog sties, breeding stations, and stock breeding farms, and for the purchase of stud stock in pastoral production and for the construction and development of small power stations. Just as in other village and town enterprises, enterprises that are newly developed by specialized households are allowed to pay taxes according to a reduced rate.
6. Specialized households should be given assistance in acquiring land which they need over a long or short period for the expansion of their specialized production.
7. In order to further develop production or expand business, specialized households are allowed to hire helpers or apprentices according to the regulations promulgated by the central authorities. There should be no limit to the number of helpers or apprentices to be hired for the reclamation of barren hills and wasteland and in doing business of an exploratory nature.
8. Efforts must be made to provide good services to specialized households for the development of commodity production.
9. The legitimate business and management of the specialized households are protected by state laws.

10. Specialized households may set up their own association on a voluntary basis and also hire lawyers as their legal consultants to protect their lawful rights.

ANHUI CPPCC HOLDS STANDING COMMITTEE MEETING

OW250807 Hefei Anhui Provincial Service in Mandarin 1100 GMT 20 Apr 84

[Text] The Standing Committee of the fifth provincial CPPCC Committee held its sixth meeting at the provincial CPPCC auditorium on the morning of 20 April. The meeting discussed and adopted the draft resolution of the second session of the fifth provincial CPPCC Committee on the work of the Standing Committee, the second session's draft political resolution, the report of the Motions Examination Committee and a draft resolution on the examination of motions. It also adopted a namelist of additional members to be elected to the Standing Committee by the second session of the fifth provincial CPPCC Committee. Ma Leting, vice chairman of the provincial CPPCC Committee, presided over the meeting. Present were Li Qingquan, Hong Pei, Zhu Nong, Wang Zenong, Chai Dengbang, Sun Youqiao, Pan Ezhang and Chen Tianren, vice chairmen of the provincial CPPCC Committee.

SHANDONG COMMENTARY ON ROOTING OUT FACTIONALISM

SK240247 Jinan Shandong Provincial Service in Mandarin 2300 GMT 18 Apr 84

[Station commentary: "Resolutely Root Out Factionalism"]

[Text] Enhancing the party's spirit and rooting out factionalism are our important tasks to do a good job in conducting transformation among organizational structures, launching the party rectification drive, strengthening unity among the masses inside and outside the party, and in carrying forward the excellent situation.

We should say that the market for factionalism has become smaller and that those who come out in public as factionalists have been few. However, factionalism still causes trouble among some localities and units and among a few individuals and still is expressed in various forms. As of now, some persons still compete with each other to see who is better by posing as certain factionalists. One of their prominent expressions is spreading the fallacy that this faction is right and the other is wrong. Actually, such a fallacy has shown that some persons still uphold their factionalism and stick to their faction, which is very wrong and harmful.

Factions are an outcome of the Great Cultural Revolution and they all developed under its peculiar historic circumstances. In theory and practice, the Great Cultural Revolution was wrong and brought about serious internal disorder to the party, country, and the people. The whole Great Cultural Revolution was not correct, so how can the spokesman of a faction left over from it pose as being right? All facts show that such a state of affairs is true. All persons who have undergone the Great Cultural Revolution can still remember that all factions in that period, though flaunting different banners and using different names, followed the same principle of criticizing the so-called capitalist roaders and competing in raising rebellion. They concocted the so-called theory of continuing the revolution under the dictatorship of the proletariat and of taking class struggle as a key link. At present, facts clearly show that everything that cropped up in that period is wrong.

How can the spokesman of a faction uphold their correctness in an effort to oppose others? There are also some persons saying that we could not regard the two factions as equally right or wrong. They seem to uphold a principle in which, if they fail to compete with others to see which faction is better or to argue with others to see which is right or wrong, right and wrong could not be distinguished.

This is another reason for those who have adhered to the erroneous view of one faction being right and another wrong. In spite of their subjective desire, those who have had such a view in approaching problems still compete with each other over which faction is better. Basically speaking, they cannot thoroughly negate the Great Cultural Revolution ideologically. The outcome of the practice of persistently competing with each other over who is better by taking a factionalist stand that has been proven fundamentally wrong will certainly lead to more and more confusion and will certainly make it impossible to distinguish right from wrong. Some persons also contend that, unless the correctness of a faction is affirmed, explaining the smashing of Lin Biao and the gang of four will be impossible. This is an even more muddled idea. Smashing Lin Biao and the gang of four was undertaken by the broad masses of party members, cadres, and the people and not by any faction. Individual factions could not have smashed Lin Biao and the gang of four. Of course, a large number of the persons who smashed Lin Biao and the gang of four joined those organizations, but those organizations cannot be regarded as part of any faction. All factions have been infiltrated by a number of bad and "three-category" elements. If we acknowledged that these factions smashed Lin Biao and the gang of four, all bad and "three-category" elements would be regarded as correct. As for the production development and work achievements scored in the Great Cultural Revolution, we should acknowledge the contributions made by the broad masses of party members, cadres, and the people. By no means should we regard these contributions as having been made by the factions.

Factionalism is an expression that emerges from the out-and-out individualism of political life. In spite of their high-sounding excuses, those indulging in factionalism actually compete with each other over their factional interests. The evil essence of factionalism also is to seek individual gain under the pretense of seeking factional interests. A faction and clique is made up of a number of persons who eagerly seek private gains and who totally run counter to the party members' duty of wholeheartedly serving the people. All party members should consciously take the party's stand to combat out-and-out individualism and various factions resolutely.

SHANGHAI MUNICIPAL STATE SECURITY BUREAU SET UP

OW250803 Shanghai City Service in Mandarin 1100 GMT 24 Apr 84

[Text] The Shanghai Municipal Bureau of State Security was formally inaugurated today. Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee and chairman of the municipal People's Congress Standing Committee; Wang Daohan, secretary of the municipal CPC Committee and mayor; and Ruan Chongwu, secretary of the municipal CPC Committee and vice mayor, attended the inauguration meeting held in the afternoon. Comrade Ruan Chongwu presided at the meeting.

Comrade Hu Lijiao spoke at the meeting. He noted that state security organs are part of the organs of people's democratic dictatorship and constitute an important component part of the state apparatus. He hoped that comrades of the Bureau of State Security will make practical efforts to do state security work well so as to do their part in defending and promoting the four modernizations drive, realizing the reunification of the motherland and opposing hegemonism and safeguarding world peace.

Wang Daohan spoke on behalf of the municipal People's Government. He called on comrades of the Bureau of State Security to resolutely act in the spirit of the central authorities' instructions, be determined to serve the four modernizations drive throughout the country as well as in Shanghai and make sure that state security work is strengthened and developed effectively.

Wang Daohan also called on all other departments of the municipal government to take the initiative in enthusiastically supporting and coordinating with the Bureau of State Security.

Other speakers at the meeting included responsible comrades of the Ministry of State Security and the municipal Bureau of Public Security. In his speech, (Ding Shenglie), director of the municipal Bureau of State Security, expressed his resolve to live up to the expectations of the party, the state and the people and to strive to create a new situation in state security work under the leadership of the party and the government and with the energetic support of the people as well as of the departments concerned.

OFFICIAL DISCUSSES SHANGHAI ECONOMIC ZONE

HK240722 Beijing BEIJING REVIEW in English No 16, 16 Apr 84 pp 16-18, 23

[Interview with Wang Lin, director of the Shanghai Economic Zone Planning Office under the State Council: "Economic Reform -- Facts Behind the Shanghai Economic Zone"; name of interviewer not given]

[Text] Question: Why has China set up the Shanghai economic zone?

Answer: China is now carrying out a well-planned step-by-step reform of its economic system. A major issue we are facing is how to set up trans-regional zone through fully exploiting the role of the central cities.

In the past, China's economic management was basically handled in accordance with administrative departments of various trades or geographical administrative divisions. The administrative management organizations and enterprises were often mixed together. This weakened economic ties between different localities and caused regional blockades and overlapping construction. Experience has shown that this kind of management system did not suit the national conditions and held back the growth of productive forces.

With the detailed division of labour and the increase in specialized production, departments, regions and enterprises are becoming more and more interdependent economically and technologically.

Particularly in a socialist country like ours, where the economy is still developing, we must energetically encourage the commodity economy in urban and rural areas and organize production and circulation to form a unified socialist market, in accordance with the inherent economic relations in socialized mass production. Cities must serve as industrial centres in this endeavour.

Premier Zhao Ziyang told the First Session of the Sixth National People's Congress in June 1983, we must "take cities as centres and organize economic activities according to the inherent laws of economic growth, break down the barriers between regions, departments and town and country... and gradually form inter-trade and trans-regional economic zones and network."

I believe that the economic zone is not a definite geographical area, but a conception of a regional location. It is a place where economic relations are relatively close. It has no definite boundaries, but an approximate location. Perhaps the economic zone might better be called an economic network, with a major city as its hub, and not an administrative region.

Q: Could you please give some details about the Shanghai economic zone?

A: The Shanghai economic zone includes ten cities -- Suzhou, Wuxi, Changzhou and Nantong in Jiangsu Province and Hangzhou, Ningbo, Shaoxing, Jiaxing and Huzhou in Zhejiang Province -- and 55 counties under these cities, with Shanghai as its centre. It is located on the Changjiang River Delta, facing the East China Sea, with the Taihu Lake in the middle. It therefore has very favourable natural conditions.

The Shanghai economic zone covers 74,000 square kilometres, 0.77 per cent of China. Five per cent of China's population, 50.59 million people, live in the zone. It boasts 38,900 enterprises, and its output value for industry and agriculture makes up 15 per cent of the nation's total. It provides one-fourth of the state revenue and handles one-third of China's foreign trade. The Shanghai economic zone is the richest area in China.

Q: Why did the State Council choose Shanghai as the first place to establish an economic zone?

A: Shanghai has always been China's economic centre. It has close relations with other cities on the delta, and this has been so throughout history. The other nine cities are actually satellites of Shanghai. The economic development of Shanghai will bring along these nine cities, which will, in turn, hasten development in the surrounding countries and countryside. The thriving Shanghai economic zone will also promote the economic growth of the whole country.

There are already examples of success in the economically developed countries, where the development of one region assisted the growth of other regions. In the United States economic development began in the east, centred around New York, and then moved west. In the last 20 years it has spread to the south. Japanese economic development also began in Tokyo and then spread to other parts of the country.

Q: What are the advantages and special features of the Shanghai economic zone?

A: The Shanghai economic zone is not only endowed with favourable natural conditions, but has been one of the most civilized regions in ancient and modern history.

Today the position of the Shanghai economic zone is very strong in China:

The output value of agriculture in the zone accounts for 8 per cent of the nation's total; grain (mainly rice), 5.7 per cent, cotton, 10.6 per cent, and silk cocoons, 27 per cent.

Twenty per cent of the country's metallurgical industry, 27 per cent of the chemical industry, 20 per cent of the machine-building industry, 38 per cent of the textile industry and more than 50 per cent of the ship-building industry of the nation are concentrated in this zone. The total output value of industry makes up 20 per cent of the nation's total. The Shanghai economic zone has a wide variety of industries, and the quality of many products is among the best in the country. They also enjoy a good reputation abroad. Goods shipped to other parts of the country from this area account for 45 per cent of the nation's total.

The average per-capita output value for industry and agriculture in this economic zone is U.S. \$1,000 a year.

Twenty percent of all the commodities China exports also come from the Shanghai economic zone. It has established economic and trade relations with 160 countries and regions. It also serves as the export collection and distribution centre for a dozen or so provinces and cities in east and central China, and as a transfer station for imported technology.

It has favourable transportation facilities. The zone is located at the estuary of the Changjiang River, in the centre of China's coast. Railways and highways link the zone with other parts of the country. CAAC [Civil Aviation Administration of China] international flights from Shanghai airport go to the capitals of most major countries, and ocean-going vessels can reach any port in the world.

The level of culture and education in the region is high, and its scientific and technological level ranks first in the country. It has 82 institutions of higher learning with 126,000 students, and 580 scientific research institutes with 500,000 technicians.

Each city in the Shanghai economic zone has its own special strengths.

In Shanghai, the completion of the Baoshan Iron and Steel complex, together with the existing iron and steel enterprises, will turn the city into a base producing 10 million tons of iron and steel a year. After the technical transformation of the existing enterprises Shanghai will be able to produce steel plates and tubes, and several million tons of various kinds of high-grade special rolled steel. All this will meet the needs of the zone as well as those of the other parts of the country.

The heavy-duty machinery plant equipped with a 10,000-ton hydraulic press and factories manufacturing equipment for big power stations in the Minhang industrial district on the outskirts of Shanghai can produce many kinds of large machines and electrical equipment.

The electronics industry in the district is highly developed and the manufacture of computers and large integrated circuits has developed considerably. The production of micro-computers has recently made rapid progress.

The petrochemical plant in Jinshan can turn out several hundred thousand tons of raw materials for chemical fibres. The already developed light and textile industries have long been important to the Shanghai economic zone and the country as a whole.

Because of all these strengths, Shanghai can set a national example in catching up with the advanced world level. During the period of the Seventh Five-Year Plan (1986-1990) Shanghai will further readjust its production setup and proportions, increase economic returns, speed up the development of high-grade, precision, sophisticated new products and contribute even more to the state. In the other nine cities. Suzhou and Hangzhou, known as "heaven on earth" offer fabulous scenery historical sites and a strong tradition of silk-making.

The large integrated circuit plant in Wuxi and the corduroy, tractors and diesel engines made in Changzhou have enjoyed a high reputation on the domestic and international market.

Shaoxing is rich in mineral resources, and its weaving and plaiting, wine-making and other traditional foodstuffs are universally acclaimed.

With the establishment of the Shanghai economic zone, these cities will absorb technology from Shanghai's enterprises through trade reorganization in the city. They will then be able to produce even more quality products.

At the harbours, the Nantong and Ningbo harbours will be expanded into important ports in the Shanghai economic zone. They will share the task of collecting and distributing commodities with Shanghai harbour, and provide good port facilities and services for domestic and foreign trade.

But the Shanghai economic zone also has its disadvantages. It is poor in natural resources. Most of the raw and semi-finished materials have to be shipped from the interior, and it currently has acute shortage of electricity and coal.

When the reorganization and readjustment of the economic structure is completed, technology-intensive production will be developed. The good ports will make it practical to import raw materials from other countries and ship out processed goods.

Q: What is being planned now for the development of the Shanghai economic zone?

A: Our main purpose is to develop a Chinese-style socialist economic management system which is rational in its division of work, and closely integrates the urban and rural areas. To this end, our planning office is paying close attention to the regional plan and economic integration.

In the year since this zone was established, we have worked out unified plans for development which will exploit the superiority of each place, and promote economic integration between the cities on the principle of voluntariness and mutual benefit, with no change in the subordination of the enterprises to the cities.

Our planning is focused on energy, transportation, foreign trade, technological transformation of the existing enterprises and comprehensive harnessing of the Changjiang and Huangpu Rivers and the Taihu Lake.

In the past year various cities in the zone have been conducting economic and technological cooperation. The local government in Wuxi has established close ties with 274 factories and 106 research institutes and institutions of higher learning in Shanghai.

A system of joint meeting involving 14 fields such as chemistry, textile, machinery, instruments and meters, electronics, statistics, banks, transportation and harbours, has been set in the economic zone. This is a loose-knit, democratic consulting organization on the basis of mutual benefit. It has been readily accepted by all departments concerned, and they find it useful in solving problems which crop up in the co-ordinated development plans.

Because of regional separation, in the past the Shanghai, Nantong, Ningbo and Zhangjiagang harbours had not been properly co-ordinated. A joint committee of the four harbours was set up early this year to unify plans for utilization.

In order to make better use of the rich water and navigation resources in the economic zone, the Huangpu and Changjiang Rivers and the Taihu Lake were surveyed last year, and a programme for harnessing them is in the making.

GUANGDONG HIT BY HEAVY RAINSTORM, DAMAGE NOTED

HK260605 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 26 Apr 84

[Text] According to NANFANG RIBAO, from 0100 to 0300 on 22 April, 11 districts and 38 townships in Heyuan County were hit by heavy rainstorms. Precipitation exceeded 130 millimeters, causing extensive flooding. According to incomplete statistics, 13.8 percent of the early rice and spring-sown crops were inundated, river dykes were in 120 places, 16 large and small bridges were damaged, and 16 houses collapsed. After the disaster occurred, the county CPC Committee and government held an immediate conference and sent a work group, headed by a deputy secretary of the county CPC Committee, to visit the district CPC committees and offices in the affected areas and organize the cadres to lead the masses to carry out rescue and relief work.

PROGRESS MADE ON GUANGDONG NUCLEAR POWER PLANT

HK260452 Beijing CHINA DAILY in English 26 Apr 84 p 1

[Article "by our staff reporter" Xu Yuanchao: "Daya Bay Nuclear Plant Progresses"]

[Text] Rapid progress has been made with the construction of the Daya Bay Nuclear Plant in Guangdong, Peng Shilu, vice-minister of water resources and electric power, said in an interview in Shenzhen.

A 21-kilometre highway from Shenzhen is near completion and will open to traffic in August. A 35,000-volt transmission line and water supply system in the site will also be finished in August. Agreement for the Guangdong Nuclear Power Joint Company will be signed within the next two months. Apartments for employees in Shenzhen with a floor space of 2,000 square metres are due to be completed by the end of the month. The preparatory committee has transferred 120 professional personnel to the plant. The number will increase to 510 when the power station goes into operation.

Peng said a 21-member group of Chinese nuclear experts is now in Hong Kong visiting the China Light and Power Company, to examine and approve technical service and supply contracts. The vice minister is now responsible for the Daya Bay Nuclear Plant.

He said more than 20 contracts will be signed for the plant. The five most important are: the joint venture contract which has been submitted to Hong Kong authorities and the Chinese Government; the general design contract proposed by Electric de France (EDF) which is scheduled to be signed in June; the nuclear "island" supply contract by Framatome Company of France to be signed in July; the conventional "island" contract with the General Electric Company (GEC) of Britain to be signed in August; and the power supply contract with Hong Kong which is regarded as the most sensitive. When the plant is operational, 70 percent of the electricity will be supplied to Hong Kong for the first few years and 30 percent will go for local consumption. Chinese and foreign companies involved in the construction and installation of the 1.8 million kilowatt nuclear plant will be selected by competitive bidding.

GUANGZHOU FORUM ON ECONOMIC DEVELOPMENT ZONE

HK251405 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 21 Apr 84

[Text] On 19 and 20 April, leading comrades of the Guangzhou City CPC Committee and the city government, experts, and scholars held a forum on the question of how to run the Guangzhou economic development zone well.

The comrades attending the forum fully stated their views on the aim and contents of, the policies on, and the site and resources for building the economic development zone.

Some comrades said: In building the economic zone in Guangzhou, we must do things which are beneficial to technical transformation and technological progress in Guangzhou City and the whole province and which must suit the tendency of the new global technological revolution and our situation. Some other comrades also said: We must build the economic development zone into a three-in-one combination of scientific research, production, and training of personnel.

(Zhang Yuanyuan), deputy dean of the faculty of economics of the Southwest University and associate professor, held: Theoretical workers have the duty to strengthen the study of building the economic development zone. (Guan Jiexue), director of the Marxist-Leninist Teachers' Office of the South China Engineering Institute and associate professor, said: To build the economic development zone, it is necessary to pay attention to five integrations: 1) Integrating the importation of advanced technology with the technical transformation in the old city; 2) integrating the internal economy with foreign trade -- the necessity of not only promoting the development of the internal economy but also promoting the development of foreign trade; 3) integrating the production of products with the training of qualified personnel; 4) integrating speed with economic results; 5) integrating domestic investment with foreign investment.

On the basis of their views, the Guangzhou City CPC Committee and the city government will formulate a feasible plan for the economic development zone as quickly as possible.

GUANGDONG FORUM DISCUSSES PARTY RECRUITMENT

HK180832 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 18 Apr 84

[Text] According to NANFANG RIBAO, the Organization Department of the provincial CPC Committee has recently held a forum of directors of organization departments at the city and prefectural levels to transmit and implement the spirit of the forum on the recruitment of new party members held by the Organization Department of the CPC Central Committee and to study how to further do a good job in the work of recruiting new party members in accordance with the CPC Central Committee decision on party rectification.

The forum pointed out that in recruiting new party members at present, stress should be laid on the staff and workers working in the frontline of industry, transport and communications, finance and trade, young peasants, intellectuals in all trades and professions, and students in universities and colleges and secondary technical schools. Greater attention should be paid to recruiting women and people of minority nationalities as party members.

SPIRIT OF HAINAN COASTAL CITIES FORUM CONVEYED

HK231525 Haikou Hainan Island Service in Mandarin 0330 GMT 22 Apr 84

[Text] According to HAINAN RIBAO, on 21-22 April the Hainan District CPC Committee held successive cadre meetings to convey the spirit of the forum of some coastal cities held by the central authorities, calling on the leaders at various levels and broad masses of cadres throughout the district to earnestly study and implement the spirit of this forum, to further emancipate their minds, and to close ranks to make contributions for accelerating the exploitation and construction of Hainan Island.

The Secretariat of the CPC Central Committee and the State Council held a forum of some coastal cities in early April to implement the guiding ideology put forth by Comrade Deng Xiaoping after visiting the special economic zones in Guangdong and Fujian Provinces.

Deng's guiding ideology is: While implementing the policy of opening to the outside world, we must further relax policies rather than restricting ourselves. The forum seriously studied how some coastal cities should quicken their steps to better absorb foreign capital and import advanced technology, and other policy matters, and at the same time it also discussed the question of further making a success of the exploitation and construction of Hainan Island.

Lei Yu, vice secretary of the Hainan District CPC Committee and director of the district Commissioner's Office, attended this forum. At the cadre meeting, Lei Yu conveyed the spirit of the forum and the related instructions of the leading comrades of the central authorities and made proposals on how to implement the spirit of this forum and to further do a good job in the exploitation and construction of Hainan Island. Comrade Lei Yu said: The CPC Central Committee and the State Council have always attached particular importance to the exploitation and construction of Hainan Island and formulated for us extremely important instructions. In order to implement the CPC Central Committee instructions and to speed up the exploitation and construction of Hainan Island, we must bring about four changes in our guiding thinking. They include: a change from the practice of concentrating on agriculture to that of paying simultaneous attention to industry and agriculture; a change from the previous practice of agriculture exclusively supplying primary products to that of paying simultaneous attention to management and the processing of raw materials; a change from the previous practice of paying exclusive attention to making investments in material production to that of stressing making more investments in intellectual development; and a change from the closed-type economy to an open-type economy. In our concrete work we must rely on four things, namely, correct party policies, resources, technology, and talent.

Comrade Lei Yu said that to bring about the four changes and to speed up the exploitation and construction of Hainan Island, we must base ourselves on reforms, further eliminate the influence of leftist ideology, carry out reforms boldly, and thoroughly reform that which is not suitable for the acceleration of the exploitation and construction of Hainan Island. At present what is more important is to study the reform of the systems of labor and personnel and of wages and to ensure that remuneration is matched with work performance and that the industrious are rewarded and the indolent are penalized so as to arouse the enthusiasm of all sides and quarters concerned.

Finally, Comrade Lei Yu emphatically said: Through the transmission from top to bottom and study of the spirit of the forum, we must further unify the thinking of the whole party and of the broad numbers of cadres, dispel some muddled ideas and misgivings about the policy of opening to the outside world, and clear away leftist ideological obstacles so that the vast numbers of cadres and the masses can always keep in unity with the central authorities in approaching the questions of opening to the outside world and of reforms. Meanwhile, through the study of the spirit of this forum, we must further strengthen inner party unity in various ways. This is the fundamental guarantee for speeding up the exploitation and construction of Hainan Island. Every party member or cadre must willingly safeguard inner party unity and the unity among the revolutionary ranks as he cherishes his own eyes, make new contributions for the acceleration of the exploitation and construction of Hainan Island, and strive to create a new situation in socialist construction.

Further Lei Yu Remarks

HK241445 Haikou Hainan Island Service in Mandarin 0330 GMT 24 Apr 84

[Text] According to HAINAN RIBAO, the Hainan Li and Miao Autonomous Prefectural CPC Committee held a cadres' meeting yesterday.

At the meeting, Lei Yu, deputy secretary of the Hainan Regional CPC Committee and director of the Commissioner's Office, conveyed the spirit of the recent forum for some coastal cities which was held by the Central Authorities. Wang Yuefeng, deputy secretary of the regional CPC committee, also spoke at the meeting. The prefectural CPC Committee made arrangements for implementing the spirit of the forum.

WEI CHUNSHU REPORT TO GUANGXI PEOPLE'S CONGRESS

HK251509 Nanning Guangxi Regional Service in Mandarin 1130 GMT 24 Apr 84

[Text] In his government work report to the second session of the sixth regional People's Congress, Wei Chunshu, chairman of the regional government, stressed that adopting special policies to strengthen the building of mountainous areas and to concentrate funds on supporting the poorest communes has an important bearing on invigorating the economy of the region.

Chairman Wei Chunshu said: Developing mountainous areas so as to change their latent superiority into real superiority has an important bearing on invigorating the economy of the region. We must adopt special policies to concentrate funds on supporting the poorest communes. Every year, the state provides us with a fund to support the underdeveloped areas in the region. In the past, we did not centralize this fund and no marked results were achieved. From this year, we will concentrate this fund on developing the poorest communes in mountainous areas. The first group to receive the fund will be composed of 155 communes. The fund will be provided with and without repayment. Part of the fund will be provided as a loan mainly for mountainous areas to develop planting and breeding industries, and part of it will be provided without repayment for mountainous areas to develop cultural and educational work, science and technology, communications, and power supply. It is necessary to adhere to the principle of mainly relying on our own efforts while making state assistance subsidiary and to do more work with less money so that these communes can develop production and construction in the shortest possible time, solve the problem of food and clothing within 2 to 3 years, and become well off within 7 to 10 years.

Chairman Wei Chunshu pointed out that the only way to exploit mountainous areas is to develop forestry, animal husbandry, and the production of native products. It is necessary to widen our perception from the limited area of cultivated land to broad mountainous areas and to carry out large-scale exploitative production by fully utilizing the pasture land in mountainous areas under the prerequisite of protecting forests and maintaining a balance in production. We should conscientiously implement the instruction of the CPC Central Committee on developing forestry, further relax the policy on forestry, and carry out the policy of the "three stables" in forestry. We should further establish and perfect the production responsibility system in state-run forestry farms and collective farms and strengthen forest protection work. We should combine tree planting with grass planting and combine grass planting with reforming grassy mountains so as to increase the per unit number of trees planted and to develop animal husbandry. We should put into effect the right to use animal husbandry farms so as to encourage the peasants to run household animal husbandry farms.

Chairman Wei Chunshu said: It is necessary to help mountainous areas develop communications, transportation, and education. The state will help local people build roads in mountainous areas. Various departments are required to train peasants to be specialized in various kinds of work, including running specialized households and key households doing specialized jobs, so as to constantly expand the agrotechnological contingent. In addition, we should adopt corresponding measures to reassure scientific and technological personnel in mountainous areas and to encourage scientific and technological cadres in the hinterland to go to mountainous areas and help develop construction there.

HENAN MEETING DISCUSSES INTELLECTUAL POLICY

HK230544 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 18 Apr 84

[Text] Recently, Liu Zhengwei, secretary of the provincial CPC Committee, presided over the meeting of the party group of the provincial CPC Committee on implementing the policy toward intellectuals. He listened to a report on the situation of examination and implementation of the policy toward intellectuals at the previous stage, and demanded that party committees at all levels grasp well the work of examining and implementing the policy toward intellectuals. Zhang Chixia, member of the provincial CPC Committee Standing Committee and director of the Organization Department; and Zhao Di, member of the provincial CPC Committee Standing Committee and deputy director of the Organization Department, attended the meeting and spoke.

The meeting held that the process of the examination work is good, and the CPC committees at various levels have attached importance to the work. In the last 2 months, with the exception of a few localities, various places have set up leading groups for implementing the policy toward intellectuals and offices for examining and implementing the policy toward intellectuals, and have arranged the work of examination. The examination offices at various levels have assigned cadres to do the work, and they have gone to the grassroots levels to carry out examination. They have grasped typical cases, summed up experiences in implementing the policy toward intellectuals, and dealt with a batch of important cases in which intellectuals were maltreated and abused. In addition, letters and visits from intellectuals have been well handled, and their problems have been conscientiously dealt with. However, the good performance does not apply to all places and units. Some units have not paid enough attention to this work.

The meeting demanded: In the examination work, attention should be paid to problems that are common and universal, so that appropriate measures can be taken to solve problems. It is necessary to pay attention to discovering talents, and to promote outstanding and young intellectuals to leading positions. All units under the direct jurisdiction of the provincial authorities should combine the examination and implementation of the policy toward intellectuals with the party rectification, and also with the building of leading organs. The offices for implementing the policy toward intellectuals under the CPC committees at various levels should center their attention on examination, supervision, and handling of typical cases.

GUAN GUANGFU SPEAKS AT HUBEI CONGRESS DISCUSSIONS

HK231040 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 22 Apr 84

[Text] The 2nd session of the 6th provincial People's Congress entered group discussions today. Guan Guangfu, Wang Quanguo, Han Ningfu, and other comrades took part in group discussions held by the Wuhan and Xiangfan City delegations.

At the 5th groups of discussions of the Wuhan City delegation, Comrade Guan Guangfu made a statement. He said: Our province made new achievements in economic construction and other areas in 1983, which can be concluded from the following three aspects: 1) Bumper harvests were seen in a year when serious natural disasters overwhelmed us, and a simultaneous increase in output value, profits, taxes, and revenue was yielded in the development of the province's economy. 2) the convention of the fourth party congress helped to reach a common understanding among party members and cadres and defined a clear aim for Hubei Province to strive to march at the head of the four modernizations in the country. 3) structural reforms of government offices were, in the main, completed.

When some delegates were calling for an increase of outlay for education, public health, and investment in intellectual development, Comrade Guan Guangfu interrupted: To make advances in many undertakings, economic construction lies at the heart of all. Only when economic construction makes progress will it be possible to develop other undertakings in coordination. In the spirit of the party Central Committee, we must go ahead boldly with our work this year. We must take a more flexible policy in agriculture and make vigorous efforts to grasp weak links and to solve the problem of circulation. Meanwhile, we must grasp reforms in industry and must be bold to carry out reforms and make progress by virtue of science and technology. So long as all of us work as one and go ahead boldly with our work, Hubei will certainly be able to march at the head of the four modernizations in the country.

At today's group discussions, delegation also put forward a number of suggestions constructive to the fulfillment of expected targets set in the government work report for economic construction in the coming 4 years.

GUIZHOU HOLDS DISCIPLINE INSPECTION CONFERENCE

UK260413 Guiyang Guizhou Provincial Service in Mandarin 1230 GMT 25 Apr 84

[Excerpts] A work conference of the provincial Discipline Inspection Committee was held in Guiyang from 19 to 25 April. Principal responsible comrades of the provincial CPC Committee Chi Biqing and Su Gang attended and spoke at the meeting. Hu Ronggui and (Wang Luming), responsible persons of the Guizhou liaison group of the Central Commission for Guiding Party Rectification, also attended. The meeting seriously studied the spirit of the Central Discipline Inspection Commission work conference and heard a report delivered by Jin Feng, secretary of the provincial Discipline Inspection Committee, on seizing the good opportunity of party rectification to bring about a marked improvement in party style this year. The meeting analyzed the turn for the better in party style in the province and studied measures for bringing about a notable turn for the better this year.

Comrade Jin Feng delivered a summation at the conclusion of the conference today. He put forward specific demands on implementing the spirit of the conference.

GUIZHOU'S WANG CHAOWEN ON ELIMINATING LEFTISM

HK260401 Guiyang Guizhou Provincial Service in Mandarin 1230 GMT 25 Apr 84

[Excerpts] In his government work report to the second session of the sixth provincial People's Congress, Governor Wang Chaowen pointed out: We must start by eliminating leftist influence in creating a new situation in economic work. He said: At present, we must focus on three problems in eliminating leftism:

1. We must solve the problem of understanding the new situation in the province's economic construction. Economic work in Guizhou has started to shift to grasping developmental work, commodity production, and efforts to enable the masses to get rich still faster. As in the past when summoning up resolve to promote the contract responsibility system with payment linked to output, based on the household, we must meet the masses' aspirations and the objective demands of economic development, establish guiding ideology and work guidelines suited to the actual situation, continue to bring into play the power of the policies, attach importance to science and technology, strive to catch up with the situation, and smoothly accomplish this shift. Only thus can we truly ensure that future economic work can switch from solving the problems of food and clothing to solving the problem of getting rich; from concentrating on grasping agriculture to grasping all-round economic and social development; from simply grasping production to getting an all-round grasp of production, distribution, consumption, and so on; and from shutting ourselves off from the outside world and working in a small way internally to opening up to the world, giving free rein to developing commodity production, and carrying out key construction work in a planned way.

2. We must solve the problem of understanding the party policy on enriching the people. Whether or not we can enable the people to get rich still faster is the criterion for judging right or wrong and good or bad work performance. We must resolutely destroy egalitarianism on the question of getting rich. We must acknowledge the differences in people's levels of culture, scientific knowledge, experience, and ability, allow a number of hard-working and able people to get rich ahead of others, and, through them, lead everyone to embark on the road to riches.

3. In their work, all departments and units must truly subordinate themselves to and serve the party's general goal and task.

We must create conditions to boldly reform policies that affect commodity production and circulation, do not help with opening up to the world and enlivening the domestic economy, affect the exploitation and employment of talent, and do not help to mobilize every positive factor to carry out the four modernizations drive.

YUNNAN'S AN PINGSHENG AT PUBLIC SECURITY RALLY

HK250122 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 20 Apr 84

[Excerpts] The rally held by the provincial CPC Committee and the provincial People's Government to commend the Yunnan provincial public security front in its stern struggle against crime opened in the hall of the provincial Public Security Department yesterday afternoon [20 April].

To achieve a basic improvement of social order, since last August, the comrades on our province's public security front have gone all out to plunge into the stern struggle against crime and have faithfully performed the glorious tasks assigned by the party and the people. The 91 collectives and some 490 individuals have gloriously rendered meritorious service one after another and 186 collectives and some 4,970 individuals have been commended. Of the representatives of the 548 advanced collectives and advanced individuals attending this commendatory rally, some are elderly models who have administered many merits and some are young outstanding workers who have emerged in the struggle against crime.

Leading comrades of the provincial CPC Committee, the provincial People's Congress Standing Committee, the provincial People's Government, and the provincial CPPCC Committee, including An Pingsheng, Liu Minghui, Liang Jia, Zhao Tingguang, Zhu Jiabi, Yu Huoli, and Zhu Kui; and responsible persons of relevant departments had photographs taken with the representatives before the opening ceremony.

At the opening ceremony, a member of the Young Pioneers in Kunming City first delivered a speech to extend greetings on the victorious holding of the rally. (Meng Qi), deputy secretary of the provincial Political and Legal Committee and director of the provincial Public Security Department, delivered the opening speech. Zhao Tingguang, deputy secretary of the provincial CPC Committee, spoke at the rally. He said: After severe blows were struck at crime in the preceding period, social order has remarkably improved and the masses have a greater sense of security.

However, we must still see that Yunnan is situated in a border area and the situation is relatively complicated. We must continue to implement the relevant instructions of the central authorities and the provincial CPC Committee, resolutely implement the principle of severely and quickly rounding up the whole gang at one fell swoop in accordance with the law, and successfully carry out the struggle against crime to the end. He hoped that the public security front must seriously build its forces to meet the needs of the current struggle, strike blows at the enemy and protect the people more effectively, and complete the glorious tasks assigned by the party and the people.

At the opening ceremony, (Wang Xueling), deputy director of the provincial Public Security Department, read the decision of the Yunnan Provincial Public Security Department on commending the advanced collectives and advanced workers on the public security front. Leading comrades of the provincial party and government awarded citations and medals to some collectives and individuals who have rendered meritorious service and to some collectives which were commended. To celebrate the holding of the rally, the Ministry of Public Security sent a letter of congratulations to the rally.

ECONOMIC CRIME IN BEIJING STILL 'QUITE SERIOUS'

HK260907 Beijing BEIJING WANBAO in Chinese 7 Apr 84 p 1

[Report by Zhang Mingfei: "Beijing Makes Remarkable Achievements in Cracking Down on Economic Crimes"]

[Text] Last year the municipality sternly cracked down on criminals in serious economic crimes. President Xue Guanghua said this morning: In the past year, the municipality's law courts at various levels have tried 1,046 economic criminal cases, severely punished criminals in major cases of embezzlement, practicing bribery, accepting bribes, speculation and profiteering, swindling, and stealing public property, and saved the state an economic loss of more than 1.5 million yuan.

This morning, the third meeting of the second session of the eighth municipal People's Congress was held. Xue Guanghua, president of the municipal Higher People's Court, and Wang Zhenzhong, chief procurator of the municipal Procuratorate, respectively gave work reports on the court and the procuratorate.

Speaking about the work of cracking down on economic crime, Wang Zhenzhong said: Since 1983, 403 cases of economic crimes, such as embezzlement, practicing bribery, and accepting bribes have been placed on file for investigation and prosecution at procuratorates at various levels, 163 criminals have been arrested, and 187 criminals have been prosecuted. Of these cases, 42 involved more than 10,000 yuan each and the state is saved an economic loss of more than 1 million yuan.

However, economic criminal activities are still quite serious. Wang Zhenzhong pointed out: "The criminals in one-third of the cases of embezzlement, bribery, and accepting bribes placed on file for investigation and prosecution in 1983 started or continued their criminal activities after the struggle to crack down on economic crimes had been launched in 1982." For example, Guo Zongding, deputy director of the Xicheng District Housing Control Bureau, abused his power and accepted bribes amounting to more than 9,400 yuan. He continued to commit crimes until last July. Sun Fanghan, storekeeper of the municipal chemical industry company's acids and benzene station, and two other persons are new economic criminals. In July and August last year, they colluded with Wang Zhenxing and other commune members of Zhuoxian County, Hebei, and stole some 60 tons of sulphuric acid, amounting to more than 10,000 yuan.

Wang Zhenzhong said: The struggle to crack down on economic criminal activities is a long-term and arduous one. Therefore, we must deeply carry on with this struggle.

QIN JIWEI AT BEIJING PLA RECTIFICATION MEETING

OW250737 Beijing Domestic Service in Mandarin 2230 GMT 24 Apr 84

[Text] The 25 April JIEFANGJUN BAO publishes on page 2 excerpts of speeches by Comrades Qin Jiwei and Fu Chongbi, delivered on 17 April at a mobilization meeting of the Beijing PLA units party committee and organ on shifting into the comparison and examination stage of party rectification. Qin Jiwei's speech was entitled "It Is Necessary To Conduct Criticism and Self-Criticism Actively and Correctly in the Comparison and Examination Stage." Fu Zhongbi's speech was entitled "Persist in Four Stresses and Grasp the Objectives of Comparison and Examination." The four stresses are stresses in solving major problems, solving practical problems, summing up experience and lessons, and arousing revolutionary consciousness.

SHANXI CPC COMMITTEE TRANSFERS CADRES

SK271151 Taiyuan SHANXI RIBAO in Chinese 27 Mar 84 p 1

[Excerpt] In the course of organizational reform and installation of city and county party and government leading bodies, the Shanxi Provincial CPC Committee has conscientiously transferred cadres so as to lay a solid foundation for the cadre contingent to meet the "four requirements," and for opening up a new situation in all fields of work. In line with the guidelines of the relevant directives of the central authorities and the actual conditions of the province, the provincial CPC Committee has transferred on a large scale prefectural (city) and county party and government leading cadres since last year. Among the new prefectural (city) party and government leading cadres, more than 68 percent were transferred from other places. Among the party and government leading cadres at the county level, 38 percent were transferred from other places, and among county CPC Committee secretaries and county heads, transferred cadres amounted to more than 61 percent.

TIANJIN PLA GARRISON CORRECTS MALPRACTICES

OW250357 Tianjin City Service in Mandarin 2330 GMT 16 Apr 84

[Excerpts] According to TIANJIN RIBAO, while studying the party rectification documents, the Tianjin Garrison CPC Committee has acted in the spirit of immediately correcting defects where possible in grasping specific problems, seriously putting right malpractices of leading cadres in using their powers for private purposes, and eliminating bureaucratism. The Tianjin Garrison is one of the second batch of units for party rectification. While studying the documents, certain comrades had the idea that as it was not yet their turn for rectification, matters could be left until the time came. The CPC Committee seriously studied the relevant instructions in the central decision on party rectification. It felt that, although there were differences in timing regarding party rectification arrangements, there should be no difference in timing in implementing the decision on party rectification. They should persistently carry out simultaneous study of the party rectification documents and solution of problems, and achieve practical results. In order to guard against and correct the malpractices of certain leading cadres in transferring their sons, daughters, relatives, and friends, the CPC Committee specially issued a number of regulations on cadre issues. This specifically stated that cadres transfers must be genuinely done for reasons of work requirements or for genuine difficulties; otherwise, they would not be made. It is essential to go through the normal organizational procedure, with the party committee collectively studying and deciding on the matter. No individual can give an arbitrary answer.

In the past half year, the members of the CPC Committee have received letters from some old superiors, comrades-in-arms, and subordinates putting forward irrational transfer or education demands for their sons, daughters, relatives, and friends. The CPC Committee members, acting according to the committee's regulations, have not taken action on any of these demands. Since last October, the garrison CPC Committee has also organized forces to gradually measure and verify the housing of leading cadres. They have made 170 cadres of regimental-level and above who were occupying excessive housing pay the rent for the excessive floor space, in accordance with the new regulations. During the last quarter of last year, the CPC Committee Standing Committee led nearly 100 organ cadres to carry out investigation and study in all grassroots units and help them solve practical problems. Since February this year, 6 Standing Committee members have led 10 work groups to 14 county and district people's armed forces departments and urban militia companies to study new ways for ensuring that militia work can be better subordinate to and serve the four modernizations.

HEILONGJIANG CONGRESS STANDING COMMITTEE OPENS

SK250157 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 24 Apr 84

[Text] The seventh Standing Committee meeting of the sixth provincial People's Congress opened at the Beifang Building today. Zhao Dezun, chairman of the provincial People's Congress Standing Committee, presided over the meeting. The meeting listened to a report by (Yu Ginghe), chairman of the office of the provincial Socialist Ethics Committee, on the province's situation in carrying out socialist ethics activities and in building villages and units where civility reigns.

Attending the meeting were Chen Yuanzhi, Lu Guang, Zhang Ruilin, Wang Jinling, Wang Pili, and Wang Zhaozhi, vice chairmen of the provincial People's Congress Standing Committee, and Zhao Zhenhua, secretary general of the provincial People's Congress Standing Committee. He Shoulun, deputy governor, and Zhang Li, president of the provincial People's Court, and relevant personnel of the provincial, prefectural, city, and county people's congresses attended the meeting as observers.

JILIN PEOPLE'S CONGRESS SESSION ENDS

SK260354 Changchun Jilin Provincial Service in Mandarin 1030 GMT 25 Apr 84

[Excerpts] According to our reporters, after an 8-day meeting at which various agenda items were fulfilled, the Second Session of the Sixth Jilin Provincial People's Congress successfully concluded in Changchun City this afternoon.

The closing ceremony of the session was held at the auditorium of the provincial guest house. Attending the ceremony and seated in the front row on the rostrum were the session's executive chairmen and members of the session's presidium, including Zhang Gensheng, Yu Ke, Li Diping, Zhang Shiyang, Yang Zhantao, Liu Cikai, Wu Duo, Cheng Shengsan, Wang Jiren, Cui Cai, Dong Su, Renqin Zhamusu, and (Wang Li). Yu Ke, executive chairman of the session, presided over the closing ceremony.

The session unanimously approved the resolutions on the work report made at the session by the provincial People's Government; on the implementation of the province's 1983 plan for the national economy and social development; on the arrangement of the province's 1984 plan; on the final account of the province's 1983 budget and the province's 1984 budget; on the work report made at the session by the provincial People's Congress Standing Committee; on the work report made by the provincial Higher People's Court; on the work report made by the provincial People's Procuratorate; and on the motions examination report made by the session's Motions Examination Committee.

After repeated deliberations and consultations and by conducting the election among the same number of candidates, the session elected Zhu Jinghang the vice chairman of the sixth provincial People's Congress Standing Committee; (Liu Cunren) and (Li Gong) the Standing Committee members of the provincial People's Congress; (Wang Hongna) the president of the provincial Higher People's Court; and (Li Zhenwu) the chief procurator of the provincial People's Procuratorate. The session also announced other electoral results and approved the namelist of dismissed personnel.

Participating deputies unanimously expressed that they will take the session's spirit back with them to their localities and, by setting examples, will lead the vast number of people to implement the resolutions adopted at the session and to strive to develop the excellent situation further and to create a new situation continuously in the province's various works.

Among those who were invited as observers and seated on the session's rostrum were leading comrades of the provincial party and government organs, including Gao Di and Zhao Nanqi. Attending the session as observers were all members participating in the second session of the fifth provincial CPPCC Committee and responsible comrades from the provincial Higher People's Court, the provincial People's Procuratorate, and from the departments, commissions, offices, and bureaus under the provincial level organs.

XIE HUANGTIAN REPORT AT LIAONING PEOPLE'S CONGRESS

SK260421 Shenyang LIAONING RIBAO in Chinese 5 Apr 84 p 2

["Excerpts" of the work report of the Standing Committee of the provincial People's Congress, delivered by Xie Huangtian, vice chairman of the Standing Committee of the provincial People's Congress to the second session of the sixth provincial People's Congress on 26 March 1984]

[Excerpts] Fellow deputies:

Under the guidance of the guidelines of the 12th CPC Congress and in accordance with the resolutions of the NPC and its Standing Committee and the work plan of the provincial CPC Committee, our provincial People's Congress Standing Committee has centered on implementing the Constitution and strengthening socialist democracy and legal system since its founding in April 1983. The Standing Committee of the provincial People's Congress has finished the following tasks which were formulated at the first session of the sixth provincial People's Congress.

1. Conscientiously Studied, Disseminated, and Implemented the Constitution.

Since the promulgation of the Constitution, our province has done a lot of work in studying, disseminating, and implementing the Constitution and made remarkable achievements in these regards.

2. Formulated Local Regulations and Rules and Examined the Situation in Which Localities Implemented the Regulations and Rules.

In the past year, the Standing Committee of the provincial People's Congress formulated eight local regulations and rules including temporary provisions on protecting and managing scenery and scenic spots; the regulations on protecting the legal rights of women and children; the regulations on managing good peddlers and food sanitation at trade fairs; detailed rules and regulations on electing county and township-level people's congresses; and temporary provisions on collecting the charges of civil affairs lawsuits.

3. Listened to the Work Report of the Provincial People's Government and Discussed the Important Issues in the Work Report.

Authorized by the first session of the sixth provincial People's Congress, the Standing Committee of the provincial People's Congress held the second session last July. The session listened to and examined the 1983 budget and the report on implementing the 1983 budgetary plan in the first half of 1983 delivered by the provincial Financial Department and made a resolution to approve this report.

4. Appointed and Removed State Personnel.

Last year, state organs at and above county level conducted organizational reform. The Standing Committee discussed the report on reforming organs of the provincial People's Government made by Deputy Governor Wang Guangzhong.

In accordance with the organizational establishment after organizational reform and in line with the demands for ensuring the ranks of cadres become more revolutionary, younger in average age, better educated and more professionally competent, the Standing Committee appointed the personnel of the provincial People's Government. The Standing Committee also appointed the personnel of all work committees under the provincial People's Congress Standing Committee and judicial officers and procurators of the procuratorate.

5. Strengthened the Relations With People's Deputies and Maintained a Close Link With the Masses.

In the past year, the Standing Committee continued to give special-purpose letter pads and envelopes to people's deputies to solicit their opinions and to strengthen relations with them. Chairman, vice chairmen, and members of the Standing Committee went to localities to conduct study and inspections, visited local people's deputies, held talks with local people's deputies and conscientiously listened to their opinions. Educational, scientific, cultural, and public health work committees also wrote to the people's deputies on educational, scientific, and technological fronts to solicit their opinions on special subjects. With the spirit of serving the people, some people's deputies put forward some good opinions and suggestions on various fields of work. In the past year, the Standing Committee of the provincial People's Congress received over 1,800 letters from the people. Organs under the Standing Committee of the provincial People's Congress handled some problems and dealt with their complaints reflected in the letters and visits. Some problems were timely transferred to relevant departments and judiciary organs to be handled. By doing so some proper demands were solved and the relations between the Standing Committee and the masses of the people have been built closer.

6. Strengthened the Self-Construction of the Standing Committee.

After the establishment of the provincial People's Congress Standing Committee it paid attention to the self-construction. At the first Standing Committee session, participants conscientiously studied the Constitution and local organizational laws, discussed ways for conducting work and exercising functions and powers on the basis of upgrading the consciousness and in accordance with the nature, functions and powers, and tasks of the Standing Committee of the provincial People's Congress, and formulated the 1983 work points. In order to strengthen the work of the Standing Committee, last July, the Standing Committee held the second plenary session. The session worked out resolutions and set up a legal system work committee, financial and economic work committee, and educational, scientific, cultural and public health committee. Under the leadership of the Standing Committee, these three committees studied and work out some local regulations and rules and some resolutions to transfer them to the Standing Committee for discussion. These committees also conducted investigations and studies, set forth some opinions and suggestions, further summed up practical experience and conducted work. In accordance with relevant regulations defined by the organizational law of the NPC, the Standing Committee organized the delegates' Credentials Committee to be in charge of examining the qualification of deputies to the provincial People's Congress.

ARTICLE URGES U.S. NOT TO MEDDLE IN TAIWAN ISSUE

OW251114 Beijing XINHUA in English 1100 GMT 25 Apr 84

["Stop Taiwan 'Independence' Activities in U.S. -- Says Beijing Journal' -- XINHUA headline]

[Text] Beijing, April 25 (XINHUA) -- The bimonthly VOICE OF TAIWAN COMPATRIOTS today expresses the hope that President Reagan's China visit would help him better understand the Chinese people's national feelings and their desire for a unified country. The article, contributed by the All-China Federation of Taiwan Compatriots, says that the people of the United States want to live in peace and maintain friendly contacts with the people of China. "No force can stem this trend of the times," the article says. However, it notes, a small number of people in the U.S. are still backing those who advocate Taiwan's "independence" and attempt to split China and prevent its reunification. The activities of the "Taiwan Independence League" headquartered in the U.S. are overtly and covertly supported.

On the eve of Reagan's visit to China, the article recalls, Senator Barry Goldwater made a trip to Taiwan where he said the U.S. Government was concerned about the security and well-being of Taiwan and even suggested moving the U.S. Embassy from Beijing to Taipei. This assertion meant in essence continuing to implement the "one China, one Taiwan" policy and inciting Taiwan to separate itself from China. The article notes that this is what the billion Chinese people, including the people of Taiwan, firmly oppose. The Chinese people who have stood up will never allow such attempts to interfere in China's internal affairs, encroach upon its sovereignty, split the country and undermine its efforts for reunification to succeed.

During the past century, the people of Taiwan have been forced to accept a status of second-class citizenship. For 50 years they were enslaved by foreign colonialists and for the last 35 years they have been separated from their relatives and have suffered as international orphans. Historical experience has taught the people of Taiwan that "self-determination" and "independence" under the aegis of a foreign power is in essence a continuation of semicolonial second class citizenship, which is slavishly dependent and at the mercy of others. Only with peaceful reunification of the motherland and reunion with the billion compatriots on the mainland who have become masters of their own destiny can the people of Taiwan rid themselves of manipulation, control, exploitation and suppression by foreign powers, the article says.

It asks the U.S. Government to stop the activities of those persons in the U.S. who advocate Taiwan's "independence" and aim to split China. The article also asks the U.S. Government to remove the obstacles to the expansion of friendship between the Chinese and American peoples and refrain from interfering in China's internal affairs, meddling in the Taiwan issue and intervening in the Chinese people's peaceful reunification of their country. "This is the only wise policy that conforms to the interest of the people of the two countries," the article concludes.

PRESIDENT CHIANG MEETS U.S. SENATORS, CONGRESSMAN

OW250927 Taipei CHINA POST in English 20 Apr 84 p 12

[Text] President Chiang Ching-kuo yesterday morning met with visiting U.S. Senator Dr James R. Sasser; Senator Frank H. Murkowski, Chairman of the Senate Subcommittee on Asian and Pacific affairs, and his wife; as well as Congressman Roy Dyson. The president spoke with his visitors on the current world situation, circumstances in East Asia and problems relating to the United States and the ROC. The president stressed the benefit to both nations of safeguarding friendship between the United States and the ROC and expressed the need for both countries to place their common endeavours to friendship and cooperation.

President Chiang expressed his pleasure at the succession of recent visits to Taiwan by U.S. senators and congressmen and expressed the hope that these visitors would gain a more distinct understanding and knowledge of the real situation in the ROC through their personal experiences of the country.

TAIPEI COMMENTARIES APPREHENSIVE OVER REAGAN VISIT

Reagan Mainland Visit 'Inevitable'

OW251339 Taipei Domestic Service in Mandarin 2300 GMT 24 Apr 84

[Station commentary: "Reagan Should Give Impetus to the Democratic Movement on the Mainland"]

[Text] U.S. President Reagan is scheduled to fly into Peiping on 26 April to start his 6-day visit to the Chinese mainland. Mr Reagan, the American chief executive who is known for his staunch anticommunist stand, has always been sympathetic to and solicitous about the Republic of China, which has some difficulties in its current international relations. His visit to mainland China is certainly a great event in the course of development of relations between the United States and the Chinese Communist regime. This event is being closely watched by the government and people of the Republic of China.

Our foreign affairs minister and the director general of our Government Information Office have repeatedly indicated that our government authorities, through many channels, have expressed the serious concern of the government and people of the Republic of China about President Reagan's trip to the Chinese mainland and asked the United States to be wary so that it would not be misled by the Chinese Communists' double-dealing united front schemes. Advice has been offered to President Reagan by journalists, political and academic circles in the United States, and private newspapers in the Republic of China over the past few days, asking the President to see clearly the true features of the Chinese Communist regime and not to make concessions to that regime's blackmailing maneuvers during his visit to the mainland. Only thus can the U.S. Government's unfairness in its policy toward the Republic of China be remedied, they have pointed out.

We believe that President Reagan is a statesman who has a strong sense of principle, cherishes his reputation, and keeps his word. Although this is the first time that the President has set foot on the Chinese mainland, he has long understood the evil characteristics of the communist regime of China. During his 6-day visit there, he cannot possibly take any measures that would jeopardize the security and interests of the Republic of China.

However, we would like to remind all our compatriots here on this bastion of national revival of a basic concept, which is that our freedom and happiness, the future of our country, and the destiny of our nation are primarily in our own hands. Our will and our determination to become strong through self-reliance should not be shaken by any contacts between the heads of foreign countries and the Chinese Communist regime. Furthermore, we should understand that although President Reagan himself is anticommunist, he can not extricate himself from the trend of approaching the Chinese Communists in foreign affairs under the shadow of the bureaucratic political institutions in Washington. This is because of the present U.S. Government's geopolitical considerations and the decade-old policy and line of uniting with the Chinese Communist regime to check the Soviet Union.

Obviously, our meaningless criticisms and stern condemnation of Reagan's visit to the mainland to meet the chieftains of the Chinese Communist regime will play no positive role. Under the dual pressure of the current international situation and the domestic political needs in this presidential election year in the United States, Reagan's trip to the Chinese mainland is inevitable and a tactic that cannot be avoided.

On their arrival in Hawaii, President and Mrs Reagan stressed that the President's trip to mainland China was a long journey devoted to peace. This statement leads us to believe that if there is true peace between two countries, this peace should be based on the same way of life that upholds freedom and democracy -- a prerequisite for co-operation. During his first presidential election campaign 4 years ago, Mr Reagan said from the bottom of his heart that communism is not compatible with the Chinese people. He said that he would do all he could to lead the Chinese mainland to depart from communism.

We appeal to President Reagan to use this visit to the Chinese mainland as an opportunity to personally experience the sufferings of the 1 billion Chinese people under the yoke of communist tyranny and to sow seeds of freedom and democracy on the mainland of China. This will enable the U.S. Government-initiated movement of democratization in communist countries to strike root on the Chinese mainland. With the elimination of communism from the whole of China, there will be true relations of peace and friendship between the Chinese and American peoples. In this sense, Mr Reagan's long journey, which begins on 26 April, will certainly be meaningful.

Taipei Misgivings Reiterated

OW251159 Taipei International Service in English 0100 GMT 25 Apr 84

[Station commentary]

[Text] This is the week of President Reagan's visit to the Chinese mainland. To summarize, it is not a journey about which the Republic of China is particularly happy. Mr Reagan has always been regarded as a friend of Free China; he is also a bitter enemy of communists. In his view, the Soviet Union is the biggest threat to the peace of the world. Isn't that because of the existence of Russian communism? Yet, what is the difference between Chinese communism and Russian communism? The Republic of China regards communism as communism. Possibly there are differences between the Russian and the Chinese practice of communism, but not a lot. The hegemonism of one is very like the hegemonism of the other. Each wants to rule the world; each wants to remake it in the image of communism while destroying capitalism.

President Reagan and Secretary of State Shultz have given assurances that nothing will be changed in the U.S. attitude toward the Republic of China. They have said that the Taiwan Relations Act will be adhered to, and that it is the law of the land in the United States. But we know, and Mr Reagan must know, that the Chinese Communists are going to put heavy pressure on him. The core of the pressure will have nothing to do with the Soviet Union. There is no disagreement about the Russians. The two sides could write a communique without disagreeing on a single word. What the Chinese Communists want is Taiwan and, in the process, they wish to destroy the Republic of China.

Why must the Chinese Communists have Taiwan? Some people think this is a matter of pride. Taiwan was returned to the Republic of China by Japan after World War II. Then the Communists usurped the mainland. So Red China insists that Taiwan must go with continental China. There are other reasons. Taiwan is modernized and prosperous. Red China would like to have such an insular pride even if they could not manage it. All the factors that have made Taiwan an immense success are absent in the makeup of the communist regime. The mainland under communism has been a failure; Taiwan under communism would be a similar failure. That is the key to the most pressing reason why Peking wants to get its hand on Taiwan.

As long as the Republic of China on Taiwan exists, the people of the mainland have an alternative. In the last few years they have learned a great deal about conditions on Taiwan. They know that, unlike those on the mainland, the people have freedom and democracy. Furthermore, they are prosperous and lead a good life. Everyone is employed and there is education for all. Never has a province of China been so well-off as Taiwan. They know too that if they make a bid for freedom, they will have sound support. The Republic of China has strong military forces and would have the support of the United States if attacked.

President Reagan has said that he can not be changed and that he will not desert an old friend in favor of a new one. The Chinese Communists do not believe him. They think they can buy and bribe him. They believe they can threaten the United States as they did when they tried to cut off arms sales to the Republic of China. At the least, Mr Reagan's presence on the Chinese mainland gives the appearance that he is a supporter of that regime. Those around him have insisted that he can play the "Red China card" against the Soviet Union. Considering Mr Reagan's pragmatism, this is somewhat surprising.

Military analysts agree it would cost billions of U.S. dollars to develop Chinese Communist military strength to a point of usefulness against the Russians. The further question is whether Red China wants weapons to use against the Soviet Union or against the Republic of China. Even now the mainland does not dare to strike across the Taiwan Straits. They are not only afraid of the Republic of China but of U.S. support for a free land fighting for its existence.

At the least, Free China can ask the American chief executive to be wary. He has said he will make no further agreements that will jeopardize Taiwan and the Republic of China. He, no doubt, means what he says. But the Chinese Communists are tricky and have shown it time and time again. They still insist that they tricked him into curtailing the sales of weapons to Free China. That is a lie. But they will do their best to convince Mr Reagan to sign again what he really did not agree to.

EDITORIAL ON SHULTZ' REASSURANCES TO TAIWAN

OW250925 Taipei CHINA POST in English 21 Apr 84 p 4

[Editorial: "U.S. Secretary of State's Reassurances"]

[Text] U.S. Secretary of State George Shultz's remarks Wednesday that he does not expect President Reagan to make any concessions on Taiwan during Reagan's visit to the Chinese mainland reaffirmed President Reagan's remarks last Monday. Secretary Shultz told the press that Reagan would do nothing in mainland China to weaken U.S. ties to the Republic of China, although Peking is expected to raise anew its objections to U.S. relations with the ROC.

Shultz's remarks confirmed President Reagan's statement last Monday to the HSINHUA NEWS AGENCY that the United States will "not turn our back on old friends in order to... strengthen or make new friends." Shultz also revealed that the Reagan administration will abide by terms of the three joint communiques that have been issued since President Nixon opened the door to formal diplomatic relations in 1972. He stated that "We are not going there to negotiate a new communique or in any way try to shift the ground from the existing agreements."

Secretary Shultz's statement on this point is significant as it will forestall any Chinese Communist maneuvers designed at getting President Reagan to sign another joint communique similar to the Shanghai Communique or the August 17 joint communique thereby yielding to Chinese Communist demands. Secretary Shultz's statement precludes even the possibility of any shifting of ground from the existing agreements. However, Secretary Shultz also provided hints of "widening the U.S.-Red Chinese relationship" by saying that "the visit itself will give real impetus to the relationship . . . and help move the relationship forward in a very constructive way." This could only mean that the United States is ready to accede to some important Chinese Communist demands and aspirations.

We hope that it does not involve any large amounts of arms sales and technological transfers to the Peking regime by the United States which would endanger, in the ultimate analysis, the peace and security of the Asian and Pacific nations, especially the Republic of China. Judging from the Chinese Communist military operations along the Vietnamese border region and Peking's constant threats to seize Taiwan by force, any arms and weapons supplied to the Chinese Communists will be used to carry out their aggression against their Asian neighbors and the Republic of China.

On the other hand, no matter how much weaponry is provided to Peking by the United States, the Chinese Communists will not be able to counter or restrain the Soviets in Asia or the Pacific region. Competent military experts have estimated that it will cost the United States from US\$50 to US\$100 billion to rearm the Chinese Communists. Is the United States ready and willing to give Peking such a vast amount of arms, which might one day be used against the United States itself? Moreover, any U.S. arming of the Peking regime would send a shock wave throughout the Asian and Pacific regions. The United States will lose or estrange many Asian and Pacific allies if it should do so against their warning. The best way for the United States to meet the danger and threat of Soviet expansion is not through rearming any Communist nation but through arming U.S. friends and allies. A policy of containment should indeed replace the present U.S. policy of co-existence with the Communists.

President Reagan's Chinese mainland visit poses for him many risks. But he should make up his mind in resisting all kinds of Chinese Communist pressure or blackmail. He should be prepared to disagree and reject those demands without hesitation. After all, he should stick to his anti-communist stand which all the free people support. He should not waver from the lofty stand merely for political expediency. He should also remember that both former President Richard Nixon and former President Jimmy Carter tried to buy peace with the Chinese Communists at the expense of the Republic of China. Both have failed and have been harshly condemned by free people for succumbing to Chinese Communist tyranny.

CANADA STUDYING NONDIPLOMATIC OFFICE IN TAIWAN

OW251223 Taipei CNA in English 0946 GMT 25 Apr 84

[Text] Taipei, April 25 (CNA) -- Canada is studying various options to set up a non-diplomatic office in the Republic of China and the American Institute in Taiwan (AIT), which succeeded the U.S. Embassy in 1979, is considered as a good example, a Canadian member of Parliament said in Taipei Tuesday.

Otto Jelinek, Chairman of the Canada-Taiwan Parliamentary Friendship Committee, disclosed in an interview with the reporter of English-language newspaper CHINA NEWS that after the Trudeau government is succeeded later this year by either the Liberals or the Conservatives, such an office can be established to promote trade, cultural and other relations between the two countries. Jelinek is leading a 16-member group visiting Taiwan. The group is composed of eight parliamentarians, half of whom are of the Conservative Party and half of the ruling Liberal Party, and their wives.

The four Conservative parliamentarians are Senator Robert Muir, MP's Melbourne Gass, William Domm and Jelinek himself. The Four Liberal MP's are Gerald Lainel, Raymond Savard, Andre Bachand and Jean-Claude Malepart. They arrived here on April 21 and are scheduled to depart on April 28.

Jelinek, a former world figure skating champion, emphasized that it is advantageous for Canada to keep closer ties with such a strong economy as Taiwan. The new Canadian government, be it a Liberal or Conservative one, will be more friendly toward the Republic of China. Trudeau is regarded as very unfriendly toward the ROC. Jelinek, a rising political star in his 40s, is included in the "shadow cabinet" of the Conservative Party under Brian Malroney. A Conservative triumph in the election in either August or November this year may get Jelinek a minister's post in charge of international trade.

TA KUNG PAO EDITORIAL-GREETES REAGAN VISIT

HK260817 Hong Kong TA KUNG PAO in Chinese 26 Apr 84 p 2

[Editorial: "Reagan's Visit to China and Sino-U.S. Relations"]

[Text] U.S. President Reagan is to fly from Guam directly to Beijing today and begin his 6-day trip. He is the third U.S. president to visit China, after Nixon and Ford, who visited China in 1972 and 1975, respectively. Nine years have passed since the last visit to China by a U.S. president. A more important fact is that Reagan's forthcoming visit to China will be the first by a U.S. head of government since the establishment of diplomatic relations between China and the United States in 1979. The visit will provide the two sides with an opportunity to review the past and look forward to the future, and will greatly help to further advance the friendly relations between the two countries.

As everybody knows, the development of Sino-U.S. relations have encountered many obstacles since the establishment of formal diplomatic ties 5 years ago. There have been ups and downs in Sino-U.S. relations because some individuals, with fantastic ideas regarding the Taiwan issue, have been trying to interfere in China's internal affairs. In early winter last year, [as published] political circles in Washington concocted the "Taiwan Relations Act," which almost destroyed the scheduled exchange of visits by the Chinese and U.S. leaders this spring. Fortunately a dramatic change came just in time, which led to Premier Zhao Ziyang's visit to the United States in January and President Reagan's forthcoming visit to China. The exchange of visits shows a real possibility for the further development of friendly relations between China and the United States.

Reagan decided to lead a several hundred-strong team to visit China on the eve of the election campaign after he had held the presidency for more than 3 years. This decision, according to U.S. observers, was based on the needs of his attempt to seek reelection and on the changed situation in the Asia-Pacific region. In a speech delivered on 6 April, Reagan emphasized that the United States, as a Pacific nation, should strengthen its ties with the Asia-Pacific countries that are making considerable progress. And, during an interview with a group of Chinese reporters on 21 April, he stated again that China is the biggest and the most important nation in the Pacific basin and that he is looking forward to reaping the fruits of "mature Sino-U.S. relations."

The U.S. authorities' recently attaching greater importance to the Asia-Pacific region is based on the following considerations: First, as the United States and the Soviet Union are escalating their contention in Europe and stepping up their deployment of nuclear armaments, there is a greater and greater difference in views and stand between the United States and West European countries, which are concerned over their own security. For this reason Washington is trying to achieve a new balance. Second, the United States now has more economic interests related to the Asia-Pacific region than before and the volume of trade between the United States and this region last year exceeded for the first time the volume of trade between the United States and Western Europe; moreover, the rising Asia-Pacific region still has tremendous economic potential to be tapped. Third, the military confrontation between the United States and the Soviet Union in the Asia-Pacific region is now becoming more and more obvious. Recently, a U.S. aircraft carrier and a Soviet submarine ran into each other -- the U.S. and Soviet Navies cannot avoid skirmishes even though the west Pacific Ocean is large enough. Under such circumstances, the United States obviously has the idea of changing its past policies and paying more attention to the Asia-Pacific region while strengthening its ties with West European countries.

When Reagan stopped in Guam and was ready to head for Beijing, Moscow announced yesterday that Ivan Arkhipov, first deputy chairman of the USSR Council of Ministers, was to visit China in mid-May. This man's visit to China had been disclosed earlier, but the timing of the Soviet Union's announcement of the visit obviously has some extra implications. This coincidence shows the decisive position of China on the one hand and, on the other, the escalation of the contention between the United States and the Soviet Union in the Asia-Pacific region.

Although the economic relations and trade between China and the United States have developed in recent years, there are still many difficulties and obstacles, mainly because the U.S. Government continues to uphold certain restrictive policies toward China. The United States is a developed country with the strongest economic and technological force while China is the biggest developing country in the world. It is in keeping with the common desire of both the American and Chinese peoples to promote economic relations and technological and cultural cooperation between the two countries on the basis of equality and mutual benefit. And, to be sure, the prospect is bright.

The development of relations in economics and other fields can be affected by political factors. So far the Taiwan issue remains the main obstacle to the relations between the two countries. The only way to solve this problem is to implement, in a down-to-earth manner, the principles laid down in the three communiques concluded between China and the United States, to respect each other's sovereignty and territorial integrity, and not to interfere in each other's internal affairs. Only in this way can Sino-U.S. relations develop smoothly and steadily in the 1980's and the years to follow.

It is a fact obvious to all that the Chinese Government is attaching importance to Sino-U.S. relations. Now people are expecting that the U.S. leaders will take real actions to fulfill their voiced desires, add new impetus to Sino-U.S. relations, and thus bring about new development. This will not only benefit the two countries but will also have tremendous influence on the situation in the Asia-Pacific region or even in the whole world.

EDUCATORS RETURN FROM BEIJING, COMMENT ON TALKS

HK251150 Hong Kong Television Broadcasts Limited in English 1100 GMT 25 Apr 84

[Text] There are signs that China's top leaders are taking a more flexible approach to their September deadline on decisions about Hong Kong's future. There are hints that the deadline may be relaxed in the interests of satisfactory agreement. Nick Griffin has more:

[Begin Griffin recording] This was the message brought back from Beijing by a group of 18 educators and scholars who'd been meeting top officials. According to Desmond Lee, one of the leaders of the group, the head of the Hong Kong and Macao Affairs Bureau, Ji Pengfei, told them during their meeting that a good agreement is better than a fast agreement. This is the third time in less than a fortnight that a top leader has indicated that China might be prepared to soften its stand on the September deadline, when they'd said they'd announce details of their plans for the territory regardless of whether any agreement had been signed.

Mr Lee said Ji also reiterated that Hong Kong's education must fit the territory's needs, and other systems can't be imported. He's also said to have given an assurance that China won't interfere with the territory either before or after 1997. In the interim period up to 1997, Ji said Hong Kong is the business of the governor. However, after that date, it will be the business of the new government and the people.

The educators spent 8 days in Beijing meeting various leaders and visiting tertiary institutions. [end recording]

LI HAO COMMENTS ON TERRITORY'S FUTURE OFFICIALS

HK260334 Hong Kong SOUTH CHINA MORNING POST in English 26 Apr 84 pp 1, 26

[Article by Ophelia Suen: "NPC Will Vet Key Officials"]

[Text] Peking, Apr 25 -- The National People's Congress will have the final say in the appointment of Hong Kong's key officials -- including their head -- in the post-1997 Government.

And the territory's 24,000 policemen will be allowed to remain in office, without being subject to any "revenge" as long as they "abide by their duties" between now and the transfer of sovereignty. This revealing message was conveyed to a group of visiting academics from Hong Kong who expressed to Chinese officials the concern of civil servants over the territory's future.

Mr Li Hao, the Deputy Director of the Hong Kong and Macao Affairs Office, told the Hong Kong delegation that key officials in the future Hong Kong administration might be nominated either by consultation or partly by election. Stressing that this would depend on the territory's state of democratization at the time, Mr Li told the group: "They will have to be appointed by the National People's Congress."

The official vetting, coupled with defence, diplomacy and the drafting of basic laws, had been named as the four areas which would come under central Government control, the delegates told the SCM POST.

"Other than these, Hong Kong will be all self-governing," one quoted Mr Li as saying. The delegation was told that the future top man in Hong Kong would have to be "patriotic, capable, loyal to the (Hong Kong) Government." One other condition would be that he could not "disgrace" the Chinese people.

Earlier in the day, Mr Ji Pengfei, head of the Hong Kong and Macao Affairs Office, told the academics that at least some parts of the Sino-British agreement -- which has yet to be finalised -- were expected to be embodied into the basic laws for post-1997 Hong Kong. But the specific drafting of the law, which will take from three to five years to complete, is unlikely to begin until both sides sign the agreement.

Chinese officials said the authority to draft and finalise the basic laws which would form the basis of Hong Kong's future legal system would rest with the central Government. Hong Kong would not be able to go beyond this legal framework, but it would not be finally endorsed before "several" consultations with the Hong Kong people.

On the subject of Hong Kong's future education system, the educationalists were assured that the study of Marxism would not be imposed on Hong Kong.

When he was asked if China had run into any snags in explaining to its people about the "one-country, two-system" concept, one Chinese official was quoted as saying: "Nobody objects. Somebody doesn't understand."

Mr Ji also told the visitors that both the British and Chinese Governments were now studying ways to "support" and "strengthen" the Hong Kong dollar in line with the mutual goal of ensuring Hong Kong's prosperity and stability. However, British sources today refused to shed any light on the subject.

Answering questions on the basic law, a British source maintained: "The agreement must be acceptable to the Hong Kong people...(so) it must include in it whatever that is substantial to make it acceptable to the Hong Kong people."

Asked to comment on the stock market's reaction yesterday to the statement by the British Foreign Minister, Sir Geoffrey Howe, he said: "I hope that the statement should reassure the people of Hong Kong that the British Government is doing its best. I think any statement by either side is likely to affect public opinion in Hong Kong and the stock market is one of the means to detect public opinion." Meanwhile, the British Ambassador to Peking, Sir Richard Evans, refused to comment on the stock market reaction in Hong Kong.

He was busily preparing for the coming 13th round of talks on Friday. "I expect it to be another 'business-like' round of talk -- like all its predecessors," he said. This time, Sir Richard will be on hand to meet the Governor, Sir Edward Youde, when he arrives at Peking airport tomorrow. "You must not see any political significance in this. It is simply a question of my diary," the Ambassador stressed. His tight schedule tomorrow will include lunch with the visiting European Community Youth Orchestra. Sir Edward is not expected to arrive until after 4:30 pm, due to the security operation surrounding the arrival of another VIP in Peking -- United States President Mr. Ronald Reagan. The U.S. President and his team of more than 800 people are expected at 2.05 pm and part of the road leading to the airport will be closed for security reasons.

JI PENGFEI COMMENTS ON DROP IN STOCK MARKET

HK250118 Hong Kong SOUTH CHINA MORNING POST in English 25 Apr 84 p 1

[Article by Ophelia Suen: "Ji Talks on Market Jitters"]

[Text] Peking, Apr 24 -- The director of the Hong Kong and Macao Affairs Office, Mr Ji Pengfei, said today that reaction to Friday's statement by the British Foreign Secretary, Sir Geoffrey Howe, might have triggered the drop in today's Hang Seng index on the Hong Kong Stock Exchange. Mr. Ji, who has been closely monitoring local reaction to the British announcement that it will relinquish sovereignty after 1997, questioned 29 visiting academics from Hong Kong. He solicited their views on Sir Geoffrey's statement--and then asked them if they had heard the Hang Seng index had plummeted more than 60 points this morning. However, the group which embarked on their nine-day tour of China on Friday, had little to offer as an explanation for the drop.

The leader of the delegation, Professor S.W. Tam, the Dean of the Graduate School of the Chinese University, said Mr Ji did not say whether China had a plan to stabilise the situation.

The discussion, however, turned to educational matters. Mr Ji told the academics -- lecturers and professors from Hong Kong--that the responsibility of "nurturing professional and skilful people" rested on their shoulders. Preparation must be made for the needs of post-1997 Hong Kong--especially in the areas of administration, finance, economics and the law. Talent should be developed locally, he said. China would not send its experts to Hong Kong. The tertiary institutes were the breeding grounds of talent, Mr Ji said, and preparation should be concentrated there if the stability and prosperity of Hong Kong was to be maintained.

The group met the Vice-Minister of Education, Mr Peng Peiyun, in the morning, Prof Tam remained optimistic about the future of education in Hong Kong after 1997. He said: "I think it will at least stay the same, if not improve, after the Chinese takeover."

WANG GUANGYING ON PRC INVESTMENT IN HONG KONG

HK260350 Hong Kong SOUTH CHINA MORNING POST in English 26 Apr 84 Business News p 1

[Article by Olivia Sin: "China Pours U.S. \$4b Into Here -- Wang"]

[Text] China has invested about U.S. \$4 billion in Hong Kong in various economic sectors, according to the chairman of the Peking-backed Everbright Industrial Co, Mr Wang Guangying. Mr Wang said the investment was made through 50 Chinese representative and trade offices in Hong Kong in more than 300 projects.

He added that China will continue investing in the territory, particularly in industry, to maintain stability and prosperity. Mr Wang told a lunch meeting of the Younger Manager's Club of the Hong Kong Management Association yesterday that the \$4 billion included activities ranging from transportation and construction to property and finance. He did not, however, give a breakdown of figures.

Mr Wang said Chinese investment in the territory exceeds that of Hong Kong's investment in China.

He denied suggestions that the growing Chinese investment here is used as an economic tool by China to control Hong Kong's economy, noting that the \$4 billion figure is not considerable compared with total foreign investment in Hong Kong.

On the relationship between Hong Kong and China, Mr Wang said: "China needs Hong Kong to aid its modernisation programmes...and Hong Kong is inseparable from China."

Mr Wang, the vice-chairman of the Chinese People's Political Consultative Conference, also urged businessmen to put their hearts at ease as Hong Kong's future has basically been solved. He said top Chinese leaders, Mr Deng Xiaoping and Premier Zhao Ziyang, had said that the capitalist system in Hong Kong will be maintained for at least 50 years after 1997. "One can do a lot of business in the next 63 years (13 years' transition period, as well as the 50 years)," he said. Even disregarding the 50 years, he said investors still have 13 years to trade here.

Nevertheless, he conceded that Hong Kong faces a problem of lack of confidence. He said the stock market will pick up if businessmen discard their fears and concentrate on their business dealings.

Turning to investment in China, he said the country has attracted \$13.4 billion of foreign investment between 1979 and September last year. Of this, \$11.2 billion came from loans with the remainder being direct investment. A breakdown of the \$2.2 billion direct investment shows that \$150 million was used in 112 joint equity ventures, \$680 million on 912 cooperative joint ventures, \$610 million to joint exploitation of resources, including 16 contracts for joint exploitation of offshore oil, \$510 million on 935 compensation trade deals, 39 wholly foreign-owned enterprises accounting for \$50 million and miscellaneous totalling \$200 million.

Until September, foreign investment projects in China numbered 2,014. But Mr Wang said they did not include the multi-million dollar Occidental coal deal with China in Shaanxi province which is near an accord. Mr Wang said investment came from many countries, including the U.S., Japan, Britain, the Philippines, France, West Germany, Switzerland, Sweden, Denmark, Australia, Thailand, Norway, Hong Kong and Macao. He said foreign investment has helped China to upgrade its technology and management expertise.

Expects Property Market Rise

HK260355 Hong Kong HONG KONG STANDARD in English 26 Apr 84 Business Standard p 1

[Report: "Everbright Not Selling Flats in City Garden"]

[Excerpt] Everbright Industrial will not sell any flats of the eight blocks in City Garden at current market sentiment, because Hong Kong property market is expected to go up further, chairman of the China-financed company, Wang Guangying said yesterday. He said some buyers have approached him for buying the City Garden flats which Everbright purchased in January at one billion dollars, but he refused their offers on the ground that it would be profitable to hold them. Market rumors earlier spread that Mr Wang was persuading Hong Kong businessmen to buy flats of City Garden. It is now the best time to invest in stock market and the property market, Mr Wang added. He noted that Hang Seng Index's 45.83 drop on Monday still could not be considered as good or bad to the stock markets.

GUANGZHOU PLANS NEW ECONOMIC DEVELOPMENT ZONE

HK230218 Hong Kong SOUTH CHINA MORNING POST in English 23 Apr 84 Business News p 1

[Article by Olivia Sin: "Another Economic Zone Planned -- Canton's Bid To Lure More Investment"]

[Text] Canton plans to set up an economic development zone near Huangpu where investors will enjoy lower profits tax and preferential treatment, senior Canton officials have told Business News. Businessmen will be encouraged to set up 100 percent foreign-owned enterprises and joint ventures in the zone, which will be given management autonomy. The zone will offer good infrastructural facilities and welcome businessmen to invest in technology-intensive industries. The creation of economic development zones can be seen as another milestone in China's liberalised foreign trade policy which aims to speed up the absorption of foreign funds and technology. The ambitious plan was unveiled weeks after Peking's announcement that 14 coastal cities, including Canton, will be further opened up to foreign investors.

Economic development zones are not special economic zones, but are allowed to grant preferential treatment similar to the latter zones. It appears that the economic development zone in Canton, the capital city of Guangdong Province, will be similar to the Minhang industrial zone in Shanghai and the industrial processing zone in Dalian.

The vice-chairman of Canton's Commission of Foreign Economic Relations and Trade, Mr Han Ying, said they are doing feasibility studies on three possible sites for the planned zone. The sites -- Huangpu, Wu Shan and Er Sha Tou -- are in Canton's southeast district. Huangpu, a well-known deep water port in southern China, has convenient transportation links. Wu Shan, dubbed as the "university town," has a concentration of scientific research institutes and can provide technology back-up and manpower for the planned zone. The area is not far from the Canton-Shumchun railway, the major transport link in Guangdong Province.

According to Mr Han, Wu Shan will host the sixth national games in 1987. Construction work is underway to turn part of the area into a sports centre. In addition, more rail links will be built to connect Wu Shan with other places, thus facilitating passenger and cargo traffic. Er Sha Tou, on Er Sha Island, is isolated from the city centre and has the advantage of easy management as the economic activities in the proposed economic development zone will not interfere with the rest of Canton.

A senior official for Canton's Commission for External Economics, Mr Li Kuanglun, said the economic development zone is different from the four special economic zones set up in Shumchun [Shenzhen], Zhuhai, Shantou (in Guangdong Province) and Xiamen (in Fujian) to experiment with capitalism. Unlike the Shumchun zone, the economic development zone will not be separated from the rest of the province by a second border line. But he said the economic development zone will be managed with greater flexibility and autonomy than the rest of Canton.

He envisages a new set of laws governing the management and preferential treatment of economic development zones will be drafted in the future. Nevertheless, it appears that the status of economic development zones is still not clear, except the fact that they will allow lower profits tax, customs duties and allow businessmen to set up foreign-owned enterprises. Profit tax in special economic zones is 15 percent compared with the 33 percent levied in other parts of China. Land use fees and import duties in special economic zones are also much lower.

Mr Lee said businessmen investing in the proposed Canton economic development zone will enjoy lower profits tax and duties, as well as more freedom of movement. "It is possible that low profit tax similar to the special economic zones will be implemented in the economic development zone," he said.

At the moment, the proposal is being studied by various departments in the Canton Municipal Government, said Mr Han. He said it will be submitted to the Guangdong Provincial Government and the State Council for approval. The economic development zone in Canton will focus on electronic, petrochemical and building materials industries, he said. Asked if there would be competition among the economic development zone and the three special economic zones in Guangdong for investment, he said the development of the four zones will be co-ordinated by the provincial authorities. He said there will be a division of labour among the four, but added that there could be an overlap in certain areas. Since China adopted the open door policy in 1979, Canton has signed contracts worth a total of US\$500 million in various joint venture projects. It has also concluded processing deals worth US\$1.1 billion since then. The other 13 coastal cities open to businessmen are Dalian, Qinhuangdao, Tianjin, Yantai, Qingdao, Lianyungang, Nantong, Shanghai, Ningbo, Wenzhou, Fuzhou, Zhanjiang and Beihai.

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